

FINANCIAL MANAGEMENT

1. PURPOSE

The purpose of this policy is to establish guidelines for the IAWP Treasurer and Finance Committee for the effective management of IAWP finances.

2. OBJECTIVES

- 2.1. To ensure sound fiscal accountability and responsibility by the members of the IAWP Board of Directors (BOD), Board of Trustees (BOT), and appointed members of committees.
- 2.2. To provide clear guidelines to BOD members in conducting the business of the IAWP as it relates to income, expenses, and/or reimbursements.
- 2.3. To ensure and maintain the integrity, reputations, and credit rating of the IAWP.

3. TREASURER

3.1. The Treasurer shall be the chief authority on financial matters relating to IAWP business, and shall be responsible for:

- 3.1.1. Preparing an annual budget, paying bills, making bank deposits in a timely manner, keeping accurate records, providing oversight of all financial accounts maintained by the IAWP, assuring compliance with fiscal year reporting requirements, preparing and filing any required tax returns/reports, and presenting required reports to the BOD.
- 3.1.2. Ensuring that all financial information is accurate, timely, and provided to the BOD.

3.2. The qualifications for the Treasurer include but are not limited to:

- 3.2.1. Be an active member in good standing of the IAWP for at least 4 years and be vetted by the Finance Committee prior to running for office of Treasurer or being considered for appointment to the office.
- 3.2.2. Have knowledge of and ensure compliance with the IAWP Constitution and By-laws, policy and procedures, IAWP financial rules, Standing Orders, and BOD directives. Must be located in the United States of America, for tax filing purposes.
- 3.2.3. Be able to relate to and communicate in a variety of mediums with a vast array of people and have experience conducting group meetings.
- 3.2.4. Must be located in the United States of America for tax filing purposes.

- 3.2.5. Possess financial experience relative to daily operations and budgets and be able to produce, read, understand, and interpret financial statements, documents, and/or records
- 3.2.6. Be informed and aware of Internal Revenue Service requirements regarding reporting for non-profit organizations.
- 3.2.7. Possess organizational skills, be detail oriented and recognized as a person who is honest, of high integrity, and be committed to the goals and values of the IAWP.
- 3.2.8. Have past experience in a similar position with another organization, demonstrated financial accounting experience relative to budgets, general accounting principles and internal control systems gained through employment, positions held, and/or have earned a finance/accounting degree from an accredited school of higher education.

3.3. The duties of the position of IAWP Treasurer include and are not limited to:

- 3.3.1. As an elected officer of the IAWP BOD, set a good example for other members and demonstrate a sound corporate fiduciary responsibility in all financial decisions
- 3.3.2. Collect and disburse or cause to be collected and disbursed all money concerning IAWP operations
- 3.3.3. Deposit all money in the bank designated by the IAWP, as soon as possible after the day following the meeting when moneys are collected, but no later than five (5) business days after returning to the geographical area in which the designated bank is located.
- 3.3.4. Maintain and oversee all financial accounts maintained by the IAWP including, but not limited to, a record of all money collected, deposits, withdrawals, expenditures, and vouchers/receipts of proof. No other Board members are to negotiate any financial transactions on behalf of IAWP without the President and Treasurer's authorization.
- 3.3.5. In instances of Annual and Regional Conferences, such authority may be delegated to the applicable/designated conference director during the preparation and completion of an approved conference in accordance with the Conference Policy or negotiated Memorandum of Understanding, or the regional conference guidelines.
- 3.3.6. Complete or cause to be completed a financial report at each Early and Late BOD meeting and an Annual Financial Report at the General Membership meetings. The report for the AGM shall include but not be limited to balance sheet, income statement, and statement of cash flow.
 - 3.3.6.1. Annual General Membership Meeting presentation will be provided as a visual display, and will consist of financial reports such as balance sheet, statement of income and statement of cash flow, auditor's report and other reports that are required.
 - 3.3.6.2. The Early and Late BOD presentations may be conducted orally, but whether the Treasurer is in attendance or not, a written report must be provided for review by all BOD members.

- 3.3.6.3. Official reports will be made public on the website
- 3.3.6.4. Provide the Finance Committee, not later than the 15th day of each month, a written report of all checks disbursed, withdrawals made, and any expenditures incurred, as well as any incoming moneys received and moneys deposited including an accounting of all IAWP account balances.
- 3.3.7. Maintain all IAWP financial records on a computer provided and owned by the IAWP.
 - 3.3.7.1. Be proficient with the financial computer program as approved by the BOD
 - 3.3.7.2. All such files of the IAWP financial records must be secured in a password-protected mode.
 - 3.3.7.3. The secured password must be provided to the IAWP Sgt. at Arms for security and integrity purposes.
 - 3.3.7.4. A backup of all IAWP financial records must be made on an external memory drive that is also password protected. Such backup shall be made every time any entry is made
- 3.3.8. Surrender all financial records, documents, and computer, at any time to the IAWP Sgt. at Arms or any duly appointed representative bearing an authorization signed by the IAWP President
- 3.3.9. Open and maintain a checking account at a financial institution approved by the BOD.
 - 3.3.9.1. An official signature card containing at a minimum the Treasurer, President, and a designated member of the Finance Committee shall be provided to the financial institution.
 - 3.3.9.2. Record all checks written from this account in a check register to allow an accurate running total of the balance of the checking account.
 - 3.3.9.3. Balance the account promptly each month upon receipt of the monthly bank statement.
- 3.3.10. Chair the Finance Committee, and submit reports at each board meeting for this committee.
- 3.4. Any discrepancies observed by the Treasurer shall be reported to the Finance Committee immediately.
- 3.5. Work with the Sgt. at Arms and the Member Services Manager to record all payments for membership. The Treasurer will store the original applications and others will be given scanned copies. A receipt will accompany any payment. (See further below).

4. FINANCE COMMITTEE

- 4.1. Is a standing committee of the IAWP.
- 4.2. Members are appointed by the President for the duration of her term of office and at a minimum shall include:
 - 4.2.1. The Treasurer, who shall serve as the chair.
 - 4.2.2. One (1) member of the Board of Trustees who shall act as an advisor on all matters of finance.
 - 4.2.3. At least one elected member of the BOD.
 - 4.2.4. The immediate past Treasurer.
 - 4.2.5. A member at large from the IAWP membership.
 - 4.2.6. Other IAWP members in good standing, as they may be recommended by the Treasurer.

4.3. Duties

- 4.3.1. Review and approve an annual budget presented to the Committee by the Treasurer.
- 4.3.2. Ensure adherence to standard operating procedure for the management of all IAWP finances.
- 4.3.3. Consider for approval all IAWP checks to be disbursed in the amount of \$500 to \$1500, except for those expenses that are regularly recurring.
- 4.3.4. Advise on all financial matters referred to the Committee by the Treasurer.
- 4.3.5. Create a vetting process for Treasurer applicants during election years that includes, at a minimum, a credit and background check, verification that the candidate meets all criteria of the Financial Management Policy, a questionnaire, and references. The Finance Committee, after reviewing eligible candidates, will send each applicant a letter of rejection or approval.

5. ANNUAL BUDGET

- 5.1. Shall be prepared and reviewed in a timely fashion to be presented to the BOD at the Late Board Meeting.
 - 5.1.1. The budget shall include a section on income and a section on expenses.
 - 5.1.2. The budget document shall be accompanied by an explanation to address increases and decreases compared to the prior year, and the reason for additions and deletions of line items.
 - 5.1.3. The budget is an estimate of income, and in some cases an estimate of expenses, as actual receipts cannot be projected. If the income is not sufficient to pay the expenses, funds will be withdrawn from the IAWP savings account to cover the difference.

6. AUDITS

- 6.1. An audit must be conducted annually and when any treasurer leaves office, or whenever an audit is requested by the BOD.
- 6.2. Audits will be done internally by the Finance Committee or designated representative of the committee, except, as required by law, at which time a CPA firm shall be used.
- 6.3. An Audit report will be given to the BOD.
- 6.4. Should the finance committee find no discrepancy, the audit will stand as evidence that the books being audited are a true and accurate accounting of IAWP funds.
- 6.5. The Treasurer shall present all documents and records via electronic transmission, or by mail or email for audit whenever so required and/or directed by the BOD.

7. RECEIPT BOOK

- 7.1. A receipt book and accompanying spreadsheet is necessary and shall be maintained to record all income as received and all expenses paid out, to provide a record of all such transactions which may occur in person such as at conferences.
- 7.2. A receipt book of either the carbonless or carbon type is acceptable, and the receipts will be numbered.
- 7.3. The receipt shall contain the date, amount, the purpose of the transaction, and a notation of how the payment was made (cash/check and currency used). Each receipt will be accompanied by some form of paper documentation to include but not be limited to a member application or an expense claim form.
- 7.4. Receipts will be presented in the form of an invoice via email or membership payments, magazine subscriptions and broadcast services paid on-line. The record of these payments will be downloaded monthly by the Treasurer and recorded in the accounting spreadsheets.
- 7.5. All received checks will be scanned and saved in the financial files.
- 7.6. A copy of cash funds received, such as Western Union transactions will be saved in the accounting spreadsheets.

8. REIMBURSEMENT FOR EXPENSES

- 8.1. All requests for reimbursement shall be submitted to the Treasurer in writing on a current reimbursement voucher distributed by the Treasurer and available on the website, and must be accompanied by appropriate supporting documentation. This documentation includes originals or copies of receipts, invoices or contracts. Reimbursements will be paid only if receipts are submitted.
- 8.2. Questions regarding what constitutes appropriate documentation shall be directed to the Treasurer.

- 8.3. Specific expense items between \$100 and \$500 require prior written approval from the Treasurer and Finance Committee.
- 8.4. Items between \$500 and \$1500 require prior approval from the Finance Committee. This should be requested 30 days in advance if feasible.
- 8.5. Items over \$1500 require the approval in advance by the full BOD. This should be requested 60 days in advance if feasible.
- 8.6. Amounts under \$10 shall be accumulated and submitted quarterly but no later than three (3) months after such expenses are incurred. No reimbursement requests will be accepted after three (3) months.
- 8.7. Reimbursement requests shall be made in accordance with available and budgeted funds.
- 8.8. If any BOD member makes a written reimbursement request with appropriate documentation, the Treasurer, with the finance committee (if required), shall process all claims in a timely manner, but no later than ten (10) business days after receipt, unless delayed for review by the Finance Committee.
- 8.9. Efforts will be made to not expend funds in December except for regular bills that occur that month or monthly. The rationale for this is to expend funds in the fiscal year in which they occur for budgeting reasons.
- 8.10. Anyone who anticipates an expense of more than \$10 will communicate this fact with the Treasurer as soon as it is known.
- 8.11. When spending IAWP funds, members shall be mindful of timeliness for arranging things like flights and hotel reservations. Booking at the proper time can save costs. If it is deemed that there was a delay that could have been avoided, the Finance Committee will review and may recommend payment at a reasonable rate that is less than what the member's claim for reimbursement.
- 8.12. The Treasurer will calculate the exchange rate for IAWP acceptance of foreign currency. This is done most often at the Annual Conference when it is held outside of the United States. This also is true for calculating exchange rates for reimbursement requests when members pay their own expenses using non-US dollars and request reimbursement.
- 8.13. No member shall receive a benefit that all other members do not receive for items being paid for by IAWP, with the exception of equipment deemed necessary for some BOD officers. (Ex. IAWP purchased business cards for the one member of the BOD only; IAWP paid expenses for conference other than those outlined in other policies; IAWP printed notepads for just certain members of the BOD).

9. APPEAL

- 9.1. If a member has been denied reimbursement and believes the expense to be justified an appeal may be submitted to the President requesting the matter be placed on the agenda at the next BOD meeting, at which time they may present an appeal either orally or in written format for further BOD action.
- 9.2. If any member believes funds of the IAWP have been misused or fraudulently appropriated, the same appeal process would be followed. If such matters involve any member of the BOD, the President may be asked to place the matter

on the agenda at the next membership meeting, or the issue may be raised at the time the Treasurer submits the financial reports of the organization.

10. QUARTERLY REPORTS

- 10.1. The Treasurer shall provide copies to the Finance Committee of all required IRS forms which have been submitted.
- 10.2. The Treasurer shall, at the close of each quarter (March, June, September, and December) prepare a signed and dated income statement and balance sheet for the Finance Committee.
- 10.3. The Treasurer shall produce a report for the Finance Committee which indicates the total amount of moneys received from membership dues differentiated by new and renewal.
- 10.4. The Treasurer shall produce a report for the Finance Committee which provides an itemized list of all checks written including date, amount, recipient, and purpose, along with an itemized list of all deposits made, including date, amount, and source.

11. ACCOUNTING RECORDS

- 11.1. Financial records of the IAWP are permanent documents to assist in determining the Association's current fiscal health, for analysis in the preparation of a reasonable budget, and as a means of allowing fiscal oversight. They are also used to assess the overall financial standing and to ensure a future for IAWP and its members.
- 11.2. The Treasurer shall send all original financial records and reports to the IAWP Historian once they are no longer required to be maintained in accordance with tax laws. The Historian may store these records on the appropriate electronic media for historical purposes.
- 11.3. The Treasurer will keep monthly records of income and expenses with appropriate documentation of such in a hard copy in a paper filing system.
- 11.4. The IAWP financial files will be stored and saved for future access if needed and/or required by law, or otherwise stipulated in IAWP guiding documents.
- 11.5. The Treasurer will ensure a certified tax accountant is given the appropriate documentation to file IRS 990 form annually, and the Treasurer will sign the form on behalf of IAWP.

12. PAYMENTS

- 12.1. The Treasurer will pay any bills using the IAWP credit card when practical and feasible. This is especially true when it comes to purchases outside the US and for travel expenses. Checks and electronic checks/payments may in some cases be better options.

- 12.2. IAWP will pay all bills for the IAWP Foundation and costs will be reconciled in December by transferring funds from the Foundation bank account to the IAWP bank account.
- 12.3. Refer to other policies regarding expenses covered in the language of those policies. For example, the travel policy outlines what will be used for per diem and other travel related expenses; the conference policy states that IAWP will pay certain costs, and these are to be handled on paper only, and not paid outright by IAWP, and the conference accountant will take those costs from the IAWP surplus share at the closing of the conference books; there is language about award costs as well in other policies.
- 12.4. The Treasurer will be aware of all expenses, and pay bills in a timely fashion when it comes to operational expenses. Auto-payments can and should be set up for credit card bills and other bills paid on a monthly basis. Most quarterly bills are due based on contracts, and the Treasurer must be provided with a copy of these contracts so bills are paid in the amount and at the time stated in the agreement. For bills that are paid once a year, it is beneficial for the Treasurer to have a due date calendar.

Amended August 21, 2011 – to add paragraph 3.3.6

Amended Sept 14, 2017

Amended March 13, 2018