

POLICIES HANDBOOK: TREASURER

SCOPE OF RESPONSIBILITIES

The Treasurer is responsible for maintaining the association's financial records, banking and investment accounts, and paying association debts. The Treasurer provides quarterly financial reports reflecting the status of the organization at the end of each quarter to the Executive Board for approval and, upon approval, to The Good Stuff for publication. The Treasurer serves on the Membership Committee, the Finance Committee and performs other duties as assigned by the president or the Executive Board.

TERM OF SERVICE

The position of Treasurer runs for one calendar year beginning January 1. The incoming Treasurer will serve an orientation period with the presiding Treasurer following the annual meeting until the term begins. The Treasurer is a voting member of the Executive Board.

FINANCIAL RECORDS

Association records are maintained using financial software. QuickBooks was chosen as the association's software in 1999. Software may be changed or updated as needed. Paper records are kept as a primary resource or as backup to electronic records for the purpose of substantiating financial activity. Paper records include but are not limited to invoices, receipts, cancelled checks, deposit slips, financial statements, tax forms, and documentation relating to grants, memberships, or programs.

Electronic Database Structure (QuickBooks)

Accounts are divided into the following types: banking, income, expense, other income, and other expense. Categories may be added or deleted as required.

Banking Accounts Actual checking and investment accounts kept in financial institutions.

Income Accounts Association funds from sources such as annual conference, checking interest, donations, dues, ads and subscriptions.

Expense Accounts Expenses in budgeted categories.

Other Income Accounts Contains funds generated from sources external to the association such as grants and investment accounts.

Other Expense Accounts Expenses for activities external to the association such as grants.

STATISTICS AND REPORTS

A financial report is produced at the end of each quarter that reflects the association's financial status to that point. Consistent end-of-quarter reporting provides comparative data from year to year. Ending balances from the previous calendar year are carried over and become the beginning balances for the new year. Reports are cumulative each quarter. Detailed profit and loss statements, transactions reports, and balance sheets,

generated from the financial software, support the quarterly financial report.

Financial Report Structure

The quarterly financial report is divided into two basic sections. The top section reflects pass-through (other income and expense categories) and NDLA funds (ordinary income and expense categories) that make up the check book balance. Columns include beginning balance, income, expense, and ending balance. The bottom section of the report reflects funds in investment accounts held at financial institutions. Principle, interest, deposits, and donations are reported. Columns include beginning balance, income, withdrawal, and ending balance.

RESPONSIBILITIES and PROCEDURES

Backup and Archival of Records

Financial records in electronic format should be backed up immediately after any change to the database to insure their integrity. An archival copy of the financial database will be created at the end of each calendar year. The archived copy will be stored with the Treasurer's records. Paper records of invoices paid and funds received will be maintained for a three-year period. Quarterly and annual reports are filed with the NDLA Archivist/Historian each year.

Deposits and Transfers

All funds are deposited directly into the checking account but may be split among accounts on the deposit record. Requests for transfer of funds from checking to the investment accounts or in reverse are directed to the financial institution. A separate transaction record must be made in the financial software for all transfers. Transfers from the investment accounts to the checking account are recorded on the financial report produced at the end of each quarter. No record in the report is made for transfers out of checking into the investment accounts.

Dues Deposits

Dues are deposited into the checking account by the membership committee chair. Receipts are sent to the Treasurer along with a report breaking funds down by member's name, city, check number, dues or donation category, and total amount. Deposits during a quarterly period should be reported to the Treasurer prior to the end of that quarter.

Acknowledgment of Donated Funds

The Treasurer acknowledges donations with a letter of thanks to the individual making the donation. A form letter is used containing information of NDLA's donation categories. The letter includes a receipt for tax purposes.

Balancing of Account Statements

Statements from checking and investment accounts are received on a monthly basis and should be balanced with the association's financial records in a timely manner. It is recommended that this be done within a few days of receiving the statement so that discrepancies can be reported to the financial institution.

Investment Funds

The association desires to strike a balance between a sound investment strategy and the preservation of adequate liquidity to meet its financial obligations. Funds not needed to support short-term goals are available for investment. Traditionally, the association has invested these funds in certificate of deposits (CDs) because of their relative safety and low maintenance requirements. However, other investment vehicles are available. The Treasurer is responsible for establishing and maintaining these accounts as prescribed by the Executive Board.

Paying Bills and Reimbursing Expenditures

Payments are made to businesses from invoices or statements and to individuals seeking reimbursement for personal expenses made on behalf of NDLA. A “request for payment” form must support either request and, except for those submitted electronically, be signed by the individual responsible for the expenditure. Forms submitted via e-mail must be sent from the e-mail account of the person making the request and are generally restricted to requests for payment to a vendor when the vendor sends the invoice or statement. Receipts must accompany requests for reimbursement as indicated on the reimbursement form. Request for payment forms can be found on the association’s website or requested directly from the Treasurer.

If a request for payment is questionable or not fully understood, the Treasurer should request clarification from the individual making the request. If the payment request is still not clear, the matter should be referred to the finance committee chair for approval of payment.

Authorized Signer

The NDLA Treasurer is designated by NDLA’s chosen financial institution as an authorized signer of checks drawn on NDLA’s checking account. In the temporary absence of the Treasurer, it may become necessary for a second person to make payments and reimbursements in order to meet the obligations of the association. This person shall be known as the “backup authorized signer” and must be a current NDLA member. The person shall be selected by the Treasurer and appointed by the NDLA Executive Board after careful consideration of that person’s suitability. The appointment of backup authorized signer will be reviewed annually by the Treasurer by the end of January. Any change in the appointment must be approved by the Executive Board. The “backup authorized signer” must follow all policies relating to payment and reimbursement as outlined in this policy manual.

Data Entry into Database

- Payments - Fields recorded for payments include check number, date, name, amount, expense account, memo, and expense class. Payments to one entity may be split into various expense accounts and classifications and have more than one memo line.
- Deposits - Fields recorded for deposit include received from (source of funds), from account (income account), memo, check number, income class and amount. Deposits may be split into various income accounts and classifications and have more than one memo line.

Transfers - Fields recorded for transfers of funds between accounts include date, amount, transfer funds from, and transfer funds to.

Externally Funded Projects

There may be projects undertaken by NDLA that rely upon external funds. The “Flickertale Children’s Book Award” funded by the North Dakota Humanities Council is one such project. The NDLA Treasurer will work to administer funds from external agencies in support of such projects as directed by the NDLA Executive Board and as required by the funding agency.

BUDGET

The Treasurer shall estimate expenses for each calendar year and report this estimate to the finance committee chair prior to the start of the calendar year.

REIMBURSEMENT

The NDLA Treasurer will make payments to NDLA members to reimburse expenses made on behalf of NDLA. Members must submit the “Request for Personal Reimbursement” form when requesting reimbursement. Receipts must accompany personal requests for reimbursement as indicated on the reimbursement form. The form is available on the NDLA web site in pdf format.

The reimbursement for travel to Executive Board meetings is as follows:

- NDLA will cover hotel cost when a board member must travel the night before a meeting or, in the case of post conference meeting, stay the night after.
- NDLA will cover mileage cost at the state employee rate.
- No meals will be reimbursed.

NDLA appreciates when institutions cover any or all of these expenses for their employees. NDLA recommends that board members request travel reimbursement from their institution prior to requesting reimbursement from NDLA.

The Finance Committee recommends that board members planning to request reimbursement of travel expenses for attending NDLA board meetings share travel expenses whenever possible. This includes both transportation (i.e. carpooling) and lodging (when necessary). When requesting reimbursement for shared expenses, indicate all parties incurring cost so that each section or committee’s budget can be assessed a share of the cost. By reflecting expenses accurately by budget category, incoming section, roundtable and committee chairs as well as the NDLA Finance Committee will be able to plan future budgets with greater accuracy. Compliance with this policy will be up to each individual board member.

Payments made to individuals and businesses that have provided merchandise or services to NDLA require the submission of a “Request for Third Party (Vendor) Payment” form to the NDLA Treasurer. The form is available on the NDLA web site in both pdf and html file format. 1) Forms submitted using pdf must be signed by the NDLA member

responsible for authorizing the expenditure and should be accompanied by a valid invoice or statement. 2) Forms submitted using html must be sent from the e-mail account of the NDLA member authorizing the payment. The html form is used when the vendor is expected to send a valid invoice or statement directly to the Treasurer.

The NDLA Treasurer may question a request for payment at any time and is encouraged to consult with the Finance Committee to obtain approval or rejection before payment of a questionable reimbursement is made.

The Request for Personal Reimbursement form is available at:

<http://ndla.info/Forms/expenseform.pdf>

or

<http://ndlaonline.org/Forms/expenseform.pdf>

CHRONOLOGICAL GUIDELINES

January:

- Archives copy of financial database from previous calendar year.
- Files “Domestic and Foreign Nonprofit Corporation Annual Report” with the North Dakota Secretary of State’s Office.
- Files North Dakota Sales and Use Tax Return.
- Files the previous year’s quarterly and annual reports with the NDLA Archivist/Historian.

February:

- Submits end-of-year financial reports from the previous year to the finance committee chair.

April:

- Arranges to have the association’s federal tax return completed.

August:

- Plans procedures for annual conference spending with the conference-chair prior to conference.

September:

- Pays conference bills.
- Works with the registration chair to deposit conference registration income.
- Works with the auction chair to deposit conference auction income.

October:

- Provides an annual conference income and expense summary to the NDLA President after the annual conference.

November:

- Submits a budget estimate for Treasurer to finance committee chair.

Ongoing Activities with Date Not Specified

- Pays all bills as they come due.
- Submits financial forms as required.
- Renews association memberships as they expire. Association memberships are included in the association’s budget.
- Works with project directors of externally funded projects (i.e. grants) as fiscal agent.

Approved by Executive Board, 12/03/2001

Reimbursement statement added by Executive Board 3/22/02

Reimbursement statement revised by Executive Board 12/09/02

Approved by Executive Board 12/09/2002

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Reimbursement statement revised by Executive Board 5/30/08

