

NAMHSA Financial Policy.

Last Revised April 20, 2004

Section 1. At the beginning of every Budget Year (being Aug 1 to July 31 unless NAN is moved to a different date) the BOD shall have 45 days to prepare a working budget for the next budgetary year's committees. These budgets shall be flexible and may be adjusted as needed.

Section 2. Budgeted expenses: Treasurer shall pay submitted invoices under \$300 total without prior approval if it is in a legitimate budgeted category. Budgeted expenditures \$300 and up will need prior approval by either two officers or a simple majority of the BOD. A group of smaller, similar expenditures shall be considered as a lump sum; i.e., a charge of 100 \$5 items shall be considered a \$500 expense. Such expenditures must be submitted 20 days prior to due date to allow BOD to act. BOD has 5 days to approve such expenditures. If BOD does not act on within 5 days it will be an assumed tacit passive approval to pay said expenditure. In the case of an emergency see section 3.

Section 3. Unbudgeted expenses: All unbudgeted expenses under \$300, regardless of origin or amount, shall need approval by one officer. That officer must be someone other than the person requesting the payment. An unbudgeted expense over \$300 shall be considered an extraordinary circumstance and will be dealt with by the full BOD within 7 days. A group of smaller, similar expenditures shall be considered as a lump sum; i.e., a charge of 100 \$5 items shall be considered a \$500 expense. Anyone buying something that was not budgeted for is liable for the payment if the BOD does not approve the expenditure.

Section 4. All requests for checks must utilize the following procedure:

- a. A check request form must be filled out and signed and dated by the requester.
- b. Said request must be approved following the above outlined guidelines in steps 1 and 2.
- c. Check requests will be processed at least once per week. Emergency requests will be processed as such but only one emergency per quarter per BOD will be allowed unless prior approval is obtained from the President. Emergency requests must meet all other requirements as outlined in section 1 or 2.
- d. No checks shall be made out to cash and no check shall be signed and made out to the same individual.

Section 5. Cash. All cash shall be accounted for. In the case of petty cash, all original receipts must be turned in along with a log of expenditures. In the case of cash payments, a receipt must be given to the payer and a duplicate kept by the acceptor. Duplicates to be turned in to the treasurer for verification. In the case of a NAMHSA raffle, ticket stubs are an adequate receipt. A second party shall verify the same day that the collected cash is consistent with the number of tickets sold.

Cash disbursement: No checks shall be made payable to CASH. Any cash payments made by NAMHSA shall be documented with a proper receipt. In the case of payments made to individuals, the receipt shall include a signature and printed name. No checks shall be issued to purchase other financial instruments (including, but not limited to money orders, traveler's checks, etc.). No electronic transfers of funds shall be permitted from the NAMHSA checking account. Electronic transfers from a NAMHSA Paypal or similar account can be made only to the checking account. The President and Finance Committee Rep. shall each have access to two checks for the checking account for emergency use. No person shall sign a check made payable to themselves.

Savings Account:

No savings account should be used at this time. If, at some point in the future, it is determined that there is a need for a long-term savings account, the procedures must be approved by the BOD.

ATM Card: An ATM card shall be kept by the treasurer. This card shall not be used, except for transactions where the only acceptable method of payment is with a cash card (this includes setting up PayPal and Ebay accounts for NAMHSA). This card's activity shall be monitored by the VP during random checks of the online account.

Section 6. PayPal. A business Paypal account with the email address PayPal @namhsa.org shall be maintained to allow entrants to NAN to pay online, and to facilitate auction payments to NAMHSA. This account will be maintained by the treasurer, who will have sole access to the account. In all transactions, a

secondary party will be involved (registrar, fundraising chair, etc) who will report income to the board at least monthly. Reports shall be made every 2 weeks during the NAN registration period.

Section 7. Payments. All checks must be made out to NAMHSA and must be turned in weekly to the treasurer at their posted address. A log must accompany the deposit and each check must have an indication of what budget category it is to be applied to.

Section 8. The treasurer's position will be responsible for the following:

- a. Maintaining a day to day balance for the business checking account.
- b. Making deposits and informing the BOD of any discrepancies.
- c. Issuing checks as necessary to pay bills, fees, etc., with the approval of the BOD, as outline in sections 1-3.
- d. Collecting on any outstanding debts as proscribed by the law and the BOD.
- e. Providing a monthly and quarterly statement, reconciled with the bank statement, to the BOD for them to distribute. The online statement will be used if the paper statement is not available.
- f. Providing a monthly and quarterly statement of the breakdown of the monies in various subcategories so that the chairpersons for those committees know how much they have in their budgets and can ask for more from the BOD if needed.
- g. Review all summative reports compiled by the chairperson's of the various committees. Reports will be due within 14 days of end of event unless an extension has been granted by the BOD.
- h. Providing annual original records compiled during their tenure to the CPA for the annual audit and being available to answer any questions the CPA might have about financial matters during their tenure.
- i. Attending board meetings as defined by the bylaws or as needed.
- j. Providing all documents, etc., to the new treasurer upon election and start of their term.
- k. Being able to provide all documentation held during my tenure to the BOD upon 48 hours notice. Treasurer may be removed from their position without warning or any reason by the BOD.
- l. Treasurer will submit needed references and information as necessary for bonding to the agent for the bonding company.

Section 9. Finance Committee:

Made up 4 members:

Treasurer - appointed by the BOD

NAMHSA VP - elected by NAMHSA members

NAMHSA President - elected previously by NAMHSA members

NAMHSA Regional Representative - elected by the membership of a region and then appointed by the BOD to sit on this committee.

All members except the Vice President shall have the ability to sign checks on the account. The president shall sign checks only if no other check signer is available in a reasonable amount of time. The Vice President shall receive the master bank statement, with the original paid checks. The treasurer shall receive a duplicate statement.

All members have a responsibility to report to the BOD any activity which seems unreasonable or questionable.

All members must follow the guidelines established for each account.

Ties: should any decision result in a tie, the issue should be taken to the BOD for a vote.

Basic responsibilities as they relate to the bank accounts and cash handling procedures:

Treasurer:

Duties are outlined above in items 2-8.

Anyone providing a bill to the treasurer should do so 15 days before the bill is due whenever possible.

The treasurer should have on-line access to review the accounts.

Vice President:

The VP should have on-line access to review the accounts.

The VP shall review the account balance on a random basis (no less than every other week), and shall view an image of every paid check. After each review, the VP shall post to the BOD the result of the review.

The VP shall receive the paid checks and compare the reconciliations to the bank accounts and notify the

finance committee that they have been approved. The VP shall NOT be a signer on the account.

President:

The president shall verify that the bank accounts have been reconciled and approved.

The president shall verify that the petty cash accounts have been reconciled.

The president should have on-line access to review the accounts and the ability to freeze the accounts if necessary.

May be the co-signer for checks.

Representative:

Should have on-line access to review the accounts.

May be the co-signer for checks.

Section 10. NAMHSA's financial records shall be reviewed by an outside CPA annually starting with tax year 2004. The CPA is selected by the Financial Committee and approved by the BOD and may not be a relative (as defined in XX) of any NAMHSA Officer, Representative, or Committee member. NAMHSA shall have its tax documents to the CPA for income tax filing by February 15th after the end of the previous tax year.

Section 11. The above sections may be changed and adjusted as needed by the BOD at any time.

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Petty Cash Accounts:

The BOD shall approve the establishment of each petty cash account.

The BOD shall approve the initial amount of each petty cash account and shall approve all requests to increase the amount.

The holder of a petty cash account is responsible for the funds in that account and shall provide a monthly reconciliation of that account to the treasurer within 15 days after the end of the month.

To replenish the petty cash account, the holder shall document all expenses (who the money was paid to, the purpose, the date and how much)

and submit a request for the total expenses along with the original receipts.

The treasurer shall reimburse the petty cash account within 7 calendar days. Should any expense be questionable, the treasurer shall reimburse the remaining expenses and ask the account holder for additional information or explanations. If the information or explanations are not sufficient, the matter should be promptly taken to the finance committee for their approval and the petty cash holder shall be notified of this action immediately.

All funds in a petty cash account must be returned to the treasurer within 7 calendar days at the request of the finance committee.