

Finance Policies

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Rationale:

Development of and maintenance of an annual budget is necessary to provide a business and financial framework for the effective and successful operation of the Chapter.

The budget supports the Chapter's operational needs, financial stability and encourages financial growth in addition to providing support to various professional development opportunities and services for Chapter members.

The budget is the Chapter's financial blueprint and should provide balance between the goals of financial health, professional development of members and support of the PR profession.

Procedure:

The treasurer, president and president-elect are responsible for all financial management duties unless otherwise assigned.

1. **Fiscal Year:** The Chapter's fiscal year begins September 1 and ends August 31.
2. **Budget:** Budgets for each committee should include an itemized list of all foreseeable expenses and income.
 - a. Based on the requests of the committees, the treasurer prepares and distributes a Chapter budget for each Chapter year. The Chapter board of directors must approve and adopt a budget by October 1. Income and expense variances are monitored throughout the year and Chapter spending adjustments are recommended as needed.
 - b. Board liaisons for each committee are responsible for planning their committee budgets before the beginning of the fiscal year and submitting them to the board of directors for approval. The liaison is also responsible for monitoring the actual income and expenditure for his/her committee.
 - c. In the case of unexpected expenses of \$100 or more that were not included in the committee's budget and therefore not approved by the board, the board liaison should present the expense to the board for approval if time permits. Otherwise, the Chapter president and the treasurer can approve the expenditure.
 - d. Unbudgeted expenses under \$100 do not require board approval; however, the board liaison must explain why the expenses were incurred at the board meeting.
3. **Record Keeping:** The treasurer is responsible for documenting all financial activities and transactions in a manner that is understandable for others to follow. When using accounting software, regular backups should be performed. All financial records should be retained for seven years.
4. **Revenues:** The Chapter receives a "rebate" on all membership dues paid to the Florida Public Relations Association. The rebate checks are paid to the chapter quarterly, with the bulk of the funding received at the November and February quarterly state meetings. Checks are accompanied by a listing of new members to which the rebates apply. The check is forwarded to the Treasurer to be deposited and the listing is forwarded to the membership committee. To ensure completeness of revenues, the membership committee should review the listing of new members that accompanies the rebate and confirm approval to the treasurer. This can be done verbally at the board meeting. Agenda and minutes should reflect that the membership committee reviewed the listing and approved the payment received from the Florida Public Relations Association.
5. **Expenditures:** Direct billing is the preferred method for paying expenses. Where feasible, invoices should be signed to evidence budgetary approval, especially for non-recurring charges. Expenses may be charged

to the Chapter if a board member submits the bill to the treasurer for payment with a completed FPRA Gainesville Chapter Reimbursement Form, indicating the budget line item to which the expense should be charged.

Other acceptable forms of payment are:

- a. Paying the bill personally and then submitting a completed FPRA Gainesville Chapter Reimbursement Form (found on our website www.fpragainesville.com under Resources) with receipts to the treasurer for reimbursement.
 - b. Requesting a check for the expense in advance by completing an FPRA Gainesville Chapter Reimbursement Form.
6. **Reimbursements:** The treasurer reimburses Chapter members for expenses incurred in conjunction with their FPRA duties in a timely manner. A completed reimbursement request form and receipt are required for reimbursement.
- a. Frequently, the person requesting the reimbursement is the one with budgetary approval. In these instances, no additional signatures are required. In instances where the treasurer seeks reimbursement, the reimbursement form should be signed by the person with budgetary authority for that expenditure.
 - b. Where possible, original receipts should be provided for reimbursement. Receipts should provide sufficient detail to describe the nature of the purchase (i.e. meal receipts should show the food purchased, not just the credit card payment receipt).
7. **Bank Account/Registration/Payment Account Access:** Access to bank accounts, payment accounts, and registration systems should be updated periodically but no less than annually. Where feasible, one registration system should be used to ensure consistent reconciliations across events. Exceptions to the standard registration and/or payment systems should be approved in advance by the board.
8. **Checking Account:** The Chapter's checking account is reconciled monthly and the expenses and balances are summarized by the treasurer in writing for each monthly board meeting.
9. **Deposits:** Deposits and payables should be handled in a timely manner. Deposits should be made as soon as possible but at least within one week after the receipt of the funds. Any deposit containing cash or over \$300 should be made within two business days. Funds are placed in a CD or CDs as often as cash flow allows.
10. **Debit card:** The person responsible for reconciling the bank account (i.e. the treasurer) should not have access to a debit card. Debit cards should be issued to all Chapter members that have a legitimate business need. Debit cards SHALL NOT be shared. Card holders are responsible for inappropriate or unsubstantiated charges made with their card.
- a. All members using a debit card must provide original receipts to the treasurer within 15 days of the transaction date. The receipt should be accompanied by a reimbursement request form to evidence budgetary approval. The treasurer should report unsubstantiated expenditures to the board by cardholder name so the board can seek restitution from the member if necessary and appropriate.
 - b. Card holders should be reviewed to ensure their access is still necessary on a regular basis, but no less than annually. Members who no longer require debit cards should be removed from the account in a timely fashion.
11. **Reporting:** The treasurer prepares an income/expense report for the board after each major event or activity concludes. The resulting profitability level assists the board with on-going spending considerations. The board should discuss the income/expense report at the next board meeting following the event or activity.

12. **Bank Statement Reconciliation and Review:** The income and expenditure log should be reconciled to the bank statement on a monthly basis. The reconciliation should indicate the bank balance as of the end of the month, plus outstanding deposits in transit, less outstanding checks that have not cleared the bank, equating to the running balance per the income and expense log. This reconciliation should be reviewed by another board member (president and/or vice president) on a monthly basis. The reviewer should agree the bank statement balance to the bank statement, the income/expense log balance to the income and expense log, and should ensure that outstanding checks and deposits are reasonable and resolved in a timely fashion.
13. **Meetings and Events:** The treasurer manages a change bank for use at monthly luncheon meetings. The treasurer receives lunch payments and issues receipts at the check-in desk. In the event that a monthly meeting RSVP is not paid at the time of the scheduled meeting, the treasurer will prepare and distribute invoices for the appropriate amount, due upon receipt.
- a. To facilitate the check-in process and due to the sensitivity of cash payments, which are common, payments should be collected by at least two people. The Treasurer should not be responsible for collecting cash payments. One person should check in new arrivals (ideally signing to evidence their attendance) and takes credit card payments, and a second person should handle cash and check payments. Form of payment should be evidenced on the sign in form (cash, check, Paypal, Square).
 - b. Event revenue should be reconciled to the bank deposit per the bank statement. Event reconciliations should show the number of attendees, the amount collected by payment type, and show the amounts reconciled to the payments received by the bank (Paypal deposit, Square deposit, and cash and check deposit). These event reconciliations should be part of the financial transactions and subject to audit/review on an annual basis.
 - c. Attendees that do not pay until after the event should be listed individually on the event reconciliation. The status of the balance due from the individual should be included in the monthly reporting to the board to ensure appropriate follow up procedures. Balances that are deemed to be uncollectible can be written off with board approval, to be reflected in the meeting minutes.
 - d. Ideally, the balance of a change fund should not fluctuate, and deposits should agree to the event revenues (and any other deposited revenues). The Treasurer should request the bank to make change when he/she deposits the cash and checks and should not commingle the event deposit with change fund money.
 - e. **Image Awards:** Number of entries should be reconciled to the total deposit made to the bank account and the amount remitted by PayPal. Evidence of the reconciliation should be maintained for audit purposes. Duplicate awards should be paid for prior to the chapter ordering them. payments should be made by check or cash.
 - f. **Fundraisers:** Two people should be assigned to collect fees, track additional amounts collected, and to reconcile the amounts collected to the number of attendees. Two people will provide additional security when handling cash and will help with times of high-volume transactions. A reconciliation of the entry fees and other funds collected to the amounts deposited into the bank account should be performed and evidence of the reconciliation should be maintained for audit purposes.
14. **Financial Review:** The president-elect is responsible for arranging for a Financial Review of the Chapter's financial records at the end of each fiscal year. The financial review should be arranged by October 1 and completed by December 1 annually.
15. **Annual Taxes:** The treasurer and president will be responsible for filing any necessary state or federal taxes. The state association will assist in determining if this is required.

16. **Sponsorships:** Any business requesting sponsorship of an FPRA Gainesville Chapter event should employ public relations professionals, be in a field related to public relations, or provide services or goods to public relations practitioners. Examples include FPRA member employers, printers, website hosts, promotional items retailer, etc. All proposed sponsors are subject to Board of Directors approval, if requested by an FPRA Gainesville Chapter member. The list of events/activities is subject to change. If changes are made, comparable sponsorship opportunities will be substituted.

Sponsorships are available on a calendar year basis from January 1 – December 31. All previous sponsors will have the right of first refusal before additional sponsorships are sought. Sponsorships should be paid in a lump sum payment by cash (preferable) or PayPal.

The vice president of the FPRA Gainesville Chapter will provide oversight to the Vendor Relations Subcommittee in addition to her/his board liaison responsibilities. Each committee seeking sponsorships will designate one committee member to be responsible for vendor relations/sponsorship packages and to serve on the Vendor Relations Subcommittee. This sponsorship designee will be selected between the time the board of directors takes office on September 1 and October 15.

By October 31, the vice president and the subcommittee members will meet initially to review the responsibilities of the vendor relations role, review FPRA sponsorship criteria and sponsorship opportunities, discuss the coordination of sponsorship contacts, and organize sponsorship follow-up (recognition before and during event, evaluation after the event) so sponsorship opportunities are consistent among the committees. Vendor Relations Subcommittee meetings will be held as needed and can be convened by the vice president, subcommittee member, or board member. The vice president will report the progress of the subcommittee to the board of directors.

17. **Conference Scholarship:** The Chapter shall set aside a minimum of 50 percent of the conference registration cost for scholarship to Annual Conference (this amount is reviewed each year by the board). The board will approve a donation to the state conference each year as the budget permits.

Responsibility:

The treasurer is primarily responsible. The president is financially liable for the Chapter debts.

Resources:

State Association VP of finance, Chapter board of directors