

Section Name: Structure & Organization

Section Number: 3.04

Title: Financial Guidelines

Description: To ensure the proper use of New York State Women, Inc. (NYSWI) funds, the following procedures are to be followed by the Board of Directors.

New York State Women, Incorporated (NYSWI) FINANCIAL GUIDELINES

Section I: Checks and Balances

To ensure the proper use of state funds, the following procedures are to be followed by the Executive Committee and Board of Directors.

1. There are to be three (3) signatures on every bank and/or investment account held by the State organization. The signatures are to be those of the State Treasurer, State President, and State President-Elect. Only one (1) signature is required to sign checks. Any check made payable to authorized signers of account must be signed by another authorized signer.
2. Copies of monthly bank statements, profit and loss statement, as well as disbursement journal, are to be sent by the Treasurer to the Finance Chair within fifteen (15) working days of receipt.
3. All requests for any non-budgeted expenditure (over \$500) must be approved by the Executive Committee in consultation with the Finance Chair before any action is taken (See Section V.)
4. The Treasurer is to include in her Annual Report the expenditure of, and any reasons for, any non-budgeted expenditure over \$500.
5. The Treasurer will mail, e-mail or fax to the Executive Committee and the Finance Chair a report comparing actual expenditures and budgeted expenditures by the fifteenth of each month. The following information will be included in this monthly operating statement: Account Number, Account Title, Amount budgeted for the year and Amount spent to date.
6. Any changes to the Annual Budget that involve moving more than \$500 must be approved by the Executive Committee and copied to the Finance Chair.
7. Backup of treasurer's records maintained for seven (7) subsequent years.

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Section II: Guidelines for Transition

1. All financial records and associated **documents** should be in the hands of the new Treasurer within **thirty (30)** days after the close of the fiscal year.
2. Immediately following the State Conference, the new Treasurer should open a non-profit checking account in order to begin processing funds while the accounts for the previous year are being closed out (when bank accounts are being changed).
3. The incoming Treasurer will bring to state conference or mail signature cards to the President and President-Elect within seven (7) working days of the close of the State Conference.
4. Bank accounts of the previous program year should be closed and transferred to new account no later than forty-five (45) days after the close of the State Conference, and all state funds should be processed through the newly opened account. This 45-day limit may be waived at the discretion of the Executive Committee if extenuating circumstances exist.
5. The Treasurer will communicate the successful completion of the transition period to the Executive Committee and the Finance Chair no later than fifty (50) days after the close of the State Conference.

Section III: Contract Selection Guidelines:

Although price is a major factor when choosing outside contracts, the following items must also weigh heavily in decisions. In order of priority, selected contracts must be, whenever possible:

- A woman-owned business
- Competitively priced in response to the Request for Bid (RFB) or Request for Proposal (RFP). A financial range for "competitively priced" will be determined by the Finance Committee.
- A NYSWI-member owned business

RFBs or RFPs will be written by the Finance Chair, with input from those directly involved in the reason for the request. Bids will be reviewed by the Finance Committee and a recommendation will be made to the Executive Committee for their action. A minimum of three (3) bids, whenever possible, must be procured for any expense over \$1,500.

Section IV: Reserve Account:

From time to time, the Executive Committee may establish reserve accounts if there are sufficient funds to provide adequate cash flow for the current and succeeding fiscal year. The Executive Committee approves transfers from reserve accounts and reports the action taken at the next Board of Directors meeting.

Restricted Funds: Funds donated for a specific purpose and not immediately spent should be recorded in separate accounts until expended for the intended purpose.

Section V: Ordinary vs. Extraordinary Expenses:

Ordinary expenses are those expenses for which funds have been budgeted in a program year.

Extraordinary expenses are those expenses for which funds have not been budgeted and which exceed \$500. Any extraordinary expenses must have written justification by the requester and must be approved by the Executive Committee. In the event that funds must be allocated for an extraordinary expense, those procedures outlined in Section I, Financial Checks and Balances, must be followed.

Section VI: Processing Funds:

All moneys that are accepted in the name of NYSWI or any of its identified group (for example, raffles, etc.) must first be submitted to the State Treasurer for processing through the state operating accounts. All checks received by the State Treasurer must be deposited within five (5) days of receiving them.

The Executive Committee will establish a system of accounts and account numbers for the processing of funds through the state operating account. Any activity of this nature will be included in the monthly operating statement provided by the State Treasurer, with appropriate notations.

The State President must be notified by those individuals intending to raise funds for the benefit of the state organization. This notification must be submitted in writing at least two (2) weeks prior to the fund raiser and must include the type of fund raising event and the purpose for which funds are being collected.

Section VII: Account Review:

On a monthly basis, the Finance Chair, President and President-Elect will review the Income Statement and Balance Sheet provided by the Treasurer. To prepare for this review, the State Treasurer will provide the above referenced financial statements of all federated accounts, showing budgeted vs. actual amounts. The remaining members of the Executive Committee and the Finance Committee Vice Chair will receive these reports for information purposes.

Section VIII: Audit Guidelines:

The Executive Committee will determine whether an annual audit or review occurs. The Executive Committee will identify the auditing firm or appoint an internal audit committee. The auditing firm must be appropriately certified and meet standards of specified national auditing organization.

It is the responsibility of the State Finance Chair to ensure that an audit or review occurs and that the report is presented at the March Board meeting after the end of the fiscal year.

Section IX: Expense Reimbursement

Requests for reimbursements must be in writing using the Expense Reimbursement Form appended and with receipts attached. A request for reimbursements which exceed the budgeted amount must be approved by the Executive Committee prior to payment. These include reimbursements for expenses incurred while acting in the capacity of a State Officer, Standing Committee Chair, Regional Director, Historian, Nike Editor, Nike Business Manager, Parliamentarian, Immediate Past State President and State Representative to District meetings, but only to the maximum budgeted. Exceptions must receive the approval of the Executive Committee. Questions regarding appropriate reimbursement should be directed to the State Finance Chair.

Section X: Annotated Budget

Revenues:

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| Dues–Member/Student | Calculated by multiplying projected membership by the State dues |
| <i>NIKE</i> | Based on historical data and projected income estimates |
| Interest Income | Based on anticipated revenues from interest bearing accounts |
| Events | Gross revenues based on individual event budgets |
| Other | As provided in adopted annual budget |

Expenses:

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| President | Payments to President for NYSWI related expenses not otherwise provided for in the adopted annual budget. |
| Other Officers | State Officers (Except the President) to partially reimburse for attendance at State events. The funds to be distributed as shown in approved budget |
| Regional Directors | If an officer does not attend a meeting, that officer will not receive the reimbursement. To partially reimburse for attendance at State events. The funds to be distributed as shown in approved budget: |
| a meeting in lieu of the Regional Director | If an Assistant Regional Director, or someone designated by the regional director, attends a meeting in lieu of the Regional Director, that individual will receive the funds allocated for that meeting. |
| Standing Committee Chairs | To partially reimburse for attendance at State events. The funds to be distributed as shown in approved budget: |
| lieu of the Chair, the Vice Chair | If a Vice Chair, or someone designated by the the chair or President, attends a meeting in lieu of the Chair, the Vice Chair will receive the funds allocated for that meeting. |
| Historian | To partially reimburse for attendance at State events. The funds to be distributed as shown in approved budget: |
| <i>NIKE</i> Editor | To partially reimburse for attendance at State events. The funds to be distributed as shown in approved budget: |

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| Parliamentarian | To partially reimburse for attendance at State events. The funds to be distributed as shown in approved budget: |
| | If the Parliamentarian is unable to attend, the pro tem Parliamentarian will receive the funds allocated for that meeting. |
| Immediate Past President | To partially reimburse for attendance at State events. The funds to be distributed as shown in approved budget: |
| Field Services State Reps | To reimburse State representation at Regional meetings up to amount provided in the approved annual budget. Representatives shall initially receive the amount calculated by dividing the number of regional meetings held. Fifty (50) percent will be for fall meetings and fifty (50) percent for spring meetings. Extra as needed with documented expense report to be paid at end of year. |
| Regional Directors | To reimburse Regional Directors for representation at chapter meetings up to the amount calculated by dividing the number of sanctioned regions. |
| <i>NIKE</i> | The costs of producing and distributing <i>NIKE</i> magazine. |
| Auditor | The contracted review or audit amount. |
| Committee Chairs | Distribution to be determined annually |
| Membership Promotion | Expenses including awards relating to membership promotion campaigns and special membership initiatives |
| Personal/Professional Development | Covers expenses and awards designated by PPD Chair |
| Postage | Does not include <i>NIKE</i> postage |
| Stationary & Supplies | Does not include <i>NIKE</i> supplies or stationary |
| Insurance | General Liability – State share only |
| Lobby Day | Expenses associated with Lobby Day |
| Web Site | To maintain the NYSWI web site |

No person receiving the above funds may receive reimbursement for more than one position per meeting.

Section XI: Credit Card Guidelines

- Two credit cards will be requested and will be assigned to the NYSWI President and State Treasurer. Account not to exceed a credit limit of \$5,000. Transitions at the end of the year will be instituted by the outgoing State Treasurer.
- The credit cards may be used for the following purposes:
 1. Payment of master bill for Board meetings and State Conference.
 2. Other items as approved by the Executive Committee.
- To avoid all appearances of a conflict of interest, if either the President or Treasurer plans to provide billable goods or services to NYSWI and use the credit card as the form of payment, she must obtain permission from the Executive Committee in advance of the transaction.

Restricted Funds Guidelines:

- Use of restricted funds should benefit the membership or target group
- Funds may be used to cover normal expenses i.e. materials used to present program, target group room charges, committee member expenses, etc., unless the donor specifies a specific purpose
- The Finance Committee and the EC must approve use of funds in advance when requested from the committee chair.
- Application for the use of restricted funds must be made to the Finance Committee Chair at least 45 days in advance of anticipated distribution. The following information must be included:
 - Purpose of the funds
 - Number of members, youth or women anticipated to benefit
 - Reason funds are being requested opposed to other avenues of funding
 - Date the funds will be needed
 - If funds are being used for a speaker or program, detailed information regarding the program and speaker must be included (i.e. bio of speaker or detailed outline of program)
- In approving requests, the Finance Committee and EC will balance the present need of the group with the preservation of funds for future use. If approving a request will deplete the funds in the reserved account, board approval is required.
- Funds must be used for the program intended or for a similar program benefiting the same audience for which the reserved account is intended.
- Restricted funds line items will be addressed annually by the Finance Chair and Executive Committee.

Conflict of Interest Policy:

Conflict of interest arises whenever the personal or professional interests of a board member are potentially at odds with the best interests of the nonprofit. Such conflicts are common: A board member performs professional services for an organization, or proposes that a relative or friend be considered for a staff position. Such transactions are perfectly acceptable if they benefit the organization and if the board made the decisions in an objective and informed manner. Even if they do not meet these standards, such transactions are usually not illegal. They are, however, vulnerable to legal challenges and public misunderstanding. Loss of public confidence and a damaged reputation are the most likely results of a poorly managed conflict of interest. Because public confidence is important to most nonprofits, boards should take steps to avoid even the appearance of impropriety.

A. The members of the Board of Directors of the organization should neither solicit nor accept gratuities, favors, or anything of monetary value for personal use or gain from contractors/vendors. This is not intended to preclude bona-fide organization fundraising activities.

B. No member of the Board of Directors of the organization shall participate in the selection or award of a contract with a vendor where, to his/her knowledge, any of the following has a financial interest in that contract:

1. The member of the Board of Directors;
2. Any member of their immediate family;
3. Their partner;
4. An organization in which any of the above is an officer, director or employee;
5. A person or organization with whom any of the above individuals is negotiating or has an arrangement concerning prospective employment.

C. Disclosure--Any possible conflict of interest shall be disclosed by the person or persons concerned.

D. Board Action--When a conflict of interest is relevant to a matter requiring action by the Board, the interested person(s) shall call it to the attention of the Board and said person(s) shall not vote on the matter. In addition, the person(s) shall not be present unless requested nor participate in the final decision or related deliberation regarding the matter under consideration. When there is a doubt as to whether a conflict exists, the matter shall be resolved by vote of the Board of Directors, excluding the person(s) concerning whose situation the doubt has arisen.

E. Record of Conflict--The official minutes of the Board of Directors shall reflect that the conflict of interest was disclosed and the interested person(s) did not participate in the final discussion or vote and did not vote on the matter.

Name of Board Member

Title of Board member

Signature of Board Member

Date

Included in Toolkit

TK 3.04 Conflict of Interest Form

Date of Board Approval: 3/4/12 amended 3/21/20
Effective Date: 3/4/12
Amended 6/4/12 (Restricted Funds Guidelines)
Amended 10/13/12 (Conflict of Interest Policy)