

Chapter 11

Financial Responsibilities

The authority to prescribe procedures for adequate financial controls is addressed in Article XII of the Bylaws. Authority for more specific controls or approvals is contained in other Articles of the Bylaws and, where appropriate, those additional authorities are referenced in the applicable sections of these Financial Policies.

The National Treasurer may delegate certain responsibilities to the Past National Treasurer or National Treasurer-Elect if a responsibility listed in this document is inconsistent with their employer's restrictions.

TABLE OF CONTENTS

A. Budget and Reserves

- A.1 Budget Formulation and Approval
- A.2 Budget Execution and Revision
- A.3 Contingencies/Reserves

B. Balance Sheet

- B.1 Investments
- B.2 Deferred Revenue
- B.3 Accounts Receivable
- B.4 Prepaid Accounts

C. Revenues and Expenses

- C.1 Events
- C.2 Staff Compensation and Benefits
- C.3 Purchasing
- C.4 Credit Card Use Policy and Procedures
- C.5 **Travel Guidelines**
- C.6 Capitalized Assets and Depreciation
- C.7 Check Signatures
- C.8 Outstanding Checks

D. Audits and Reviews

- D.1 Annual Audit
- D.2 Internal Control Self-Assessment

C.5 Travel

I. POLICY

The Association will reimburse travel expenses that are reasonable, necessary, and represent the best value in connection with Association-related business when those expenses are incurred within the limits and procedures of this policy. Reasonable means that a travel expense is normal, customary and usually incurred when traveling on behalf of the association. Necessary means that a travel expense is functionally required to carry out the mission, objectives, and goals of the Association. Best value means that a travel expense represents the lowest cost alternative given the nature and circumstances of required travel.

II. TRAVELER EXPECTATIONS

An Association traveler generally chooses the lowest cost of travel considering time and cost and excluding convenience. The traveler should choose the lowest cost of transportation available and usually means standard or coach fares. The traveler should choose the lowest cost of transportation to airports or terminals along with low cost parking. Lodging and car rentals should be coordinated with Association staff and their travel provider to make sure the best value is obtained based on number of people involved.

Generally, all Association travelers must follow the travel procedures in the following section. However, on occasion, travel situations may arise that deviate from standard association procedures and when time allows the traveler should coordinate with proper Association staff. In situations where no time is available, the traveler should use best judgment and will be required to document that decisions made were justified and complied with Association policy of reasonable, necessary and best value.

III. PROCEDURES

1. Travel Authorization. A member of the National Office Staff will approve all national and regional leadership travel for Association business within the available budgeted funds. The CEO and Chief Operating Officer are authorized to approve all travel of National Office employees and non-members within available budgeted funds.

2. Forms and Method of Approval.

- Travel approval (email) shall be requested prior to commencement of travel.
- Reimbursement requests shall be submitted on an approved Association Expense Report with appropriate receipts, documentation and approvals.
 - For individual expense items exceeding \$25, supporting receipts and documentation should indicate the purpose, event, amount and date (except per diem expenses).
 - Expense reports should be submitted as soon as practical after incurring expenses, but no later than 30 days after completion of travel. Late submissions will be rejected if not submitted within 60 days. Traveler may appeal rejection to the CEO for adjudication.

- Expenses incurred within the fiscal year must be submitted by March 31 so that all expenses are included within the program year.
- If unable to complete the reimbursement form by March 31 estimated travel amounts over \$100 must be reported to the Director of Finance and Administration for accrual purposes.

3. Eligibility for Travel Reimbursement.

- Association members, Association employees and others authorized to travel on official Association business are eligible for reimbursement of travel expenses as provided for in the overall Association budget.
- Association employees who telecommute shall be subject to the provisions of this policy as well as any provisions included in the employees' handbook and employment contracts with said employees.
- Non-members will be reimbursed for travel on Association business when specifically authorized such as a speaker for an association event.

4. Reimbursement of Expenses.

- Those eligible for travel shall be reimbursed for such expenses subject to the limitations set forth in this policy. Reimbursements will be limited to those amounts deemed reasonable, necessary, and the best value for the purpose of conducting approved Association business.
- As a non-profit organization serving professionals in the government financial management community, members are encouraged to obtain employer support when possible, especially travel in conjunction with official business. When practical and appropriate, the business should be conducted in conjunction with Association conferences.
- When Association funds are to be used for travel expenses, it should be determined in advance that sufficient travel funds are budgeted and available before incurring travel costs.

5. Accountability. Those eligible for travel reimbursement and traveling on official business are expected to exercise the same care in incurring expenses that a prudent person would exercise if traveling on personal business. In the event an alternate means of travel is available or multiple prices exist for travel related costs, the lower or most economical cost should be selected whenever practical. Excess or additional costs incurred for personal preference or convenience will be the responsibility of the individual.

6. Events Eligible for Reimbursements. Expenses incurred while participating in the following events are eligible for reimbursement, within the budget approved by the FBC.

Note: Given the large number of Association chapters, it is not financially feasible to support every request a chapter makes for an NGB speaker. The CEO and Chief Operating Officer (in coordination with the Chapter Services Manager and/or the Governance Manager), will use discretion at reviewing funds available and approving funds for chapter visits.

- a. Regularly scheduled and Special meetings of the National Governing Board (NGB)
- b. Chapter Training events/meetings, as approved by the CEO or Chief Operating Officer
- c. Leadership development meetings designed to annually bring national and chapter leaders together with National Office Staff to discuss the Association's national direction and initiatives, expectations, ways to improve services to current members and future members, and available tools to be a more effective leader. The Association's leadership and management will annually determine the appropriate attendees to be invited for each of these meetings. Eligible expenses for participants include all items covered in section 7 "Reimbursable Expenses."
- d. Committee and Task Force meetings provided the expense is reasonable for the time required at the meeting.
- e. Meetings sponsored by other organizations at which a member officially represents the Association. The cost must be specifically provided in the budget or authorized by the National President and CEO.
- f. Case studies conducted in conjunction with the Association events provided that the expense is within the available budgeted funds. The number of attendees will be determined by CEO within the available budgeted funds.

7. Reimbursable Expenses

- a. Transportation

Airline/train ticket for coach or special fares booked 30 days in advance, subject to the following considerations:

 - A corporate travel agency has been authorized for the convenience of members, including the direct billing of airline costs to the Association.
 - The corporate travel provider should be used by all staff and others traveling on Association business when arranging for transportation.
 - If feasible and allowed by the airlines, available corporate frequent flyer miles or credit card points should be used rather than use of current year funds. If more economical travel can be obtained, the Director of Finance and Administration should be contacted.
- i. Airlines typically offer reduced fares for travel over a Saturday night. Members are encouraged to take advantage of these fares when they are economically and personally feasible. The Association will reimburse the additional cost of lodging and meals if the total trip cost is more economical. All airfares that cost \$500 or more must have national office staff approval prior to booking.
- ii. Airline/train miscellaneous fees subject to the following considerations:
 - One checked baggage fee is allowed for travel in excess of 2 nights (i.e. 3+ nights).
 - For travel that is 2 nights or less, a carry-on baggage fee is authorized if required by the carrier.
 - Additional or excess baggage fees are at the traveler's expense.
 - One carry-on bag fee is allowed if required by the carrier.
- iii. The corporate travel agency will handle seat selection fees, booking fees, etc., if

required by the carriers. Premium seating will only be permitted in documented cases of necessity with prior approval.

- iv. Private automobile expense at the IRS-allowed rate per mile plus tolls and parking, not to exceed the cost of travel via airline. Cost comparison should be done and on file prior to travel and approved if advantageous to the Association.
- v. Taxi, subway and bus fares. These fares will not be allowed between airport and hotel if free hotel shuttle service is available
- vi. Car rental if appropriate and cost-beneficial to the Association. Car rental analysis must be submitted with the travel authorization to show that it is cost beneficial to the trip. When four or less AGA members travel together, one rental car is to be shared among the group.

b. Lodging and Meals

- i. The cost of a single room plus tax (registers in advance and obtains government or other discounted room rates). For visits within the Washington, DC area, contact the National Office for lodging arrangements. When authorizing travel, the National Office staff will determine if accumulated hotel points are available and if it is cost beneficial to use them. Lodging for staff and committee members should be charged to the Association's credit card to maximize the points it earns, unless lodging will not accept such credit card.
- ii. The Association provides a meal per diem for all Association travel locations. Association established per diem rates to be evaluated periodically by Director of Finance and Administration. The singular per diem rate will be linked to the GSA DC-based rate irrespective of travel destination. The FBC will review and approve any changes to rates. Actual meal expense incurred not to exceed per diem will be reimbursed.
- iii. Meals are not eligible for reimbursement when meals are provided at the meeting or event.

c. Other Reimbursable Expenses

- i. Official Association telephone calls, conference calls, internet service and fax charges. Also, reasonable length personal long-distance telephone calls while on travel away from home are allowable. The number of long-distance calls while away on travel should be limited to a reasonable number depending upon the length of the trip. While on extended travel status, the CEO may approve certain reasonable personal expenses for National Office employees.
- ii. Postage for Association business.
- iii. Office supplies not furnished by the Association.
- iv. Necessary expenses associated with handicap travel will be allowed. When a medical disability or special need requires premium class travel
 - This disability must be certified annually by a medical authority, unless the disability is a lifelong condition.
 - The certification must include a statement that special accommodation is necessary, the period the special accommodation is required for, a

recommendation of the class of transportation required to meet the special accommodation.

- If an attendant is required, and if the attendant is required to provide services en route.

8. Non-Reimbursable Expenses

- a. Travel costs for members for Association-sponsored events such as the Professional Development Training and chapter events except as allowed by item 6.a.
- b. First class or premium service transportation, additional or excess baggage fees except as authorized in 7.a.ii.c and 7.c.iv.
- c. Meals for Association members or staff who are not in travel status or who are traveling locally in same day.
- d. Bar and entertainment expenses.
- e. Personal items such as dry cleaning; laundry; telephone calls; internet service; books; magazines; newspapers; personal business cards; photographs; travel insurance, long distance telephone calls, in room movie, porter and maid fees, and health club charges at hotels, except those allowed by item 7.c.1. of this policy.
- f. Meeting room expense unless provided in the budget or approved by the CEO.
- g. Commuting expenses for local travel.

9. Exceptions

Any operational exceptions to this policy/procedure must be approved by the CEO with notification to the National Treasurer.

IV. ROLES and RESPONSIBILITIES

Director of Finance and Administration

- Verify that budget funds are available and that an approving official has authorized travel for the person traveling.
- Verify that requests for reimbursement are authorized and in accordance with this policy.
- Consult with National Treasurer to ascertain budget authority when there is a question regarding budget authorization for travel.
- Process requests for travel reimbursement in a timely fashion. Reject claims that have not been submitted within 60 days.
- Update the official Expense Report form approved by the Finance and Budget Committee as necessary and distribute to appropriate members and employees.
- Approve any exceptions to the Travel Policy that exceed \$25.

Chief Executive Officer

- Approve reasonable personal expenses for employees on extended travel status. Provide notice to the National Treasurer and the Director of Finance and Administration.
- Approve meeting room expense when not provided in budget.

- Approve all travel of National Office employees and non-members.

Finance and Budget Committee

- Meet annually with the Director of Finance and Administration to review the travel agent contract, the processes and procedures used to monitor travel booked through the travel agency and how the credit card charges associated with the travel agency are reconciled, validated and approved for payment (normally as part of the budget meeting).

Member of National Office Staff

- Receive reimbursement requests from committee, board, or task force members, approve requests and forward to the Director of Finance and Administration for review, approval and processing.
- Ensure new committee and board members are provided travel policies and procedures.

National President and National President-Elect.

- Approve all travel for Association business within their respective budget years for new programs or activities not specifically provided in the budget.

National President or National President-Elect and Chief Executive Officer

- Approve cost of meetings attended by a member officially representing Association when not specifically provided in the budget.

National Treasurer

- Ascertain budget authority when there is a question regarding budget authorization for travel.

KEY CONTROLS

- Travel is authorized by approving official and budget official prior to commencement of travel.
- Receipts required for anything over \$25.
- Expenses are reviewed for compliance with policies and procedures and approved by National staff member and Director of Finance and Administration.
- CEO approves use of credit card points and reviews reconciliation.