



AGA Atlanta Chapter
Finance and Budget Policies and Procedures

Table of Contents

1	Purpose	1
2	Organization	2
2.1	Finance and Budget Committee	2
2.2	Succession in the Treasurer’s Absence or Unavailability	2
3	Budget and Financial Planning	3
3.1	Budget	3
3.2	Fiscal Year	3
3.3	Annual Tax and State Filings	3
3.4	Financial Planning Schedule	4
4	Bank Accounts	4
4.1	Bank Account Establishment	4
4.2	Financial Institution Requirements	4
4.3	Account Controls	5
5	Fund Management	5
5.1	Fund Collections	5
5.2	Fund Disbursement	7
5.3	Travel Reimbursement	8
5.4	Investment of Chapter Funds	9
5.5	Electronic Fund Management	10
6	Checks and Cancellation of Checks	10
6.1	Checks	10
6.2	Cancellation of Checks	10
7	Financial Reports and Chapter Records	11
7.1	Components	11
7.2	Monthly Treasurer’s Report	11
7.3	Retention	11
7.4	Availability to Membership	11
8	Use of Forms	12
8.1	Funds Collection Record	12
8.2	P.O./Mailbox Collection Record	12
8.3	Funds Disbursement Request	12

1 Purpose

This guidance has been established to guide the officers and members of the AGA Atlanta Chapter in the proper procedures to follow while handling the funds of the organization. The establishment of these procedures will help to assure the proper use of chapter resources and provide assurance that all receipts and disbursements are properly documented and recorded.

The procedures established within this guidance will also create internal controls for the funds held by the organization. The internal controls will be created through the segregation of duties set up by this guidance which is to be followed by all chapter officers and members who are involved with any funds collected or disbursed. Additional control over chapter resources is also set up in this guidance by instituting procedures that create checks of all collections and disbursements by more than one member of the organization (Dual Controls) and by insuring that one officer or member of the organization is not solely responsible for chapter funds thereby creating a situation where fraud could occur.

These procedures will also establish the normal duties and responsibilities of the Treasurer and Treasurer-Elect for the AGA Atlanta Chapter. The duties of these positions, created within this document, will further assure that the assets of the chapter are properly managed throughout the recording of chapter activities involving chapter assets.

This document is intended to be a living document. As the chapter grows and new activities and efforts of the organization are created, this document should be updated as necessary to assure that the financial impact of those activities are properly recorded and additional internal controls are developed. Updating this document as the chapter takes on new efforts will assure that new assets of the organization created through these new activities are properly monitored with exemplary stewardship to reduce the risk of fraud.

2 Organization

2.1 Finance and Budget Committee

The Chapter Finance and Budget Committee is responsible for ensuring the Chapter's Financial Policies and Procedures are maintained and followed. The committee is also responsible for assisting in the annual review and submission of the budget.

The committee is comprised of the following members:

- Chapter Treasurer (Chair)
- Chapter Treasurer-Elect (Co-Chair)
- Chapter President-Elect
- Chapter Secretary
- Accountability Director
- Immediate Past President

2.2 Succession in the Treasurer's Absence or Unavailability

From time to time, due to work-related requirements, sickness, vacation, or separation of duties, the Chapter Treasurer may not be able to perform his or her duties for a short period of time (2 weeks or less). If any of these situations occur, then the Chapter Treasurer must make arrangements for the following succession to occur in order to continue the financial workings of the chapter:

1. If the Chapter Treasurer is unavailable, then the Chapter Treasurer-Elect shall assume duties of the Treasurer.
2. If the Chapter Treasurer-Elect is unavailable, then the Chapter President-Elect shall assume duties of the Treasurer.
3. If the Chapter President or President-Elect is not available, then the Chapter Secretary shall assume duties of the Treasurer.
4. In extreme cases where the four officers (President Elect, Treasurer, Treasurer-Elect and Secretary) are not available, then the Chapter President or President-Elect will appoint one of the Chapter Executive Committee to assume the duties of the Treasurer.
 - a. This shall be worked out with the succession line and communicated to the Chapter Officers and Chapter Executive Committee.

Some examples of the situations where the Treasurer is unavailable follow:

- The Chapter Treasurer is working off site for a lengthy period of time.
- The Chapter Treasurer is sick and will be unavailable.
- The Chapter Treasurer is on vacation.
- The Chapter Treasurer is also a committee chair and cannot sign checks where a separation of duties will be violated.

3 Budget and Financial Planning

3.1 Budget

An annual budget shall be established by the Chapter President, in consultation with the Finance and Budget Committee and Chapter Executive Committee. The budget shall provide an estimated list of expenses for the program year and the sources that will support it. The budget shall be balanced, and the use of fund balance is allowed to supplement the uses and the sources.

The annual budget shall be presented by the Chapter President to the Finance and Budget Committee by May 1. The budget shall be presented to the Chapter Executive Committee for approval at the June Chapter Executive Committee meeting to ensure the budget has been approved for the coming fiscal year.

Modifications to the budget shall be in accordance with the most current version of the approved Chapter's Bylaws. If the Chapter Bylaws are out of date and not in accordance with the National Office Bylaws, then the National Office By-Laws shall prevail.

3.2 Fiscal Year

The chapter's fiscal year begins on July 1 and ends on June 30.

3.3 Annual Tax and State Filings

Each year the Chapter Treasurer has the responsibility of completing the proper tax forms for the organization. As a tax-exempt 501(c)(3) organization, AGA chapters **MUST** file either a 990N, 990EZ or a 990 annually with the IRS **by the 15th day of the 5th month after the chapter's annual fiscal year-end, November 15**. Failure to file the pertinent return will result in the revocation of the chapter's tax-exempt status by the IRS.

The form an organization must use to file generally depends on its financial activity:

1. Chapters whose annual gross receipts are \$50,000 or less must file form 990-N (e-Postcard). Form 990-N is due every year by the 15th day of the 5th month after the close of the chapter's program year. Instructions on Form 990-N e-Postcard.
2. Chapters with gross receipts between \$50,001 and \$200,000 and total assets less than \$500,000 file form 990-EZ. Instructions on Filing Form 990-EZ.
3. Chapters with gross receipts greater than or equal to \$200,000 or total assets greater than or equal to \$500,000 at the end of the tax year must file Form 990. Instructions on Filing Form 990.

The chapter must also file with its state department of revenue and taxation, Secretary of State or other applicable entities based on the chapter's incorporation status and state requirements. **The annual registration for the chapter is due to the Georgia Secretary of State by April 1**. When completing this registration, the current Chapter President, President-Elect, and Treasurer-Elect will be listed as the Registered Officers, and the current Chapter Treasurer will be listed as the Registered Agent.

3.4 Financial Planning Schedule

Date	Activity
Immediately	New bank signature cards for newly elected officers.
1-May	Chapter budget completed by President for review by the Finance and Budget Committee.
June	Chapter Budget approved by Chapter Executive Committee at first Chapter Executive Committee meeting.
31-Aug	Prepare Chapter Year End Statements and Select Auditor to complete Chapter Evaluation.
30-Sep	Completion of Chapter Financial Evaluation and submission to Nationals.
15-Nov	Completion of annual IRS filing.
1-Apr	Completion of annual Secretary of State registration.
30-Jun	Begin close of fiscal year.

4 Bank Accounts

4.1 Bank Account Establishment

The chapter is required to have a bank account and is not prohibited from having multiple accounts (i.e., checking, savings, and/or certificate of deposits).

The Chapter President and Treasurer, with the approval of the Chapter Executive Committee, shall make changes in the financial institution used by the Chapter.

Bank authorizations for signature authority on Chapter disbursements shall be as follows: Chapter President, Chapter President-Elect, and Treasurer. The signature authority for removing and adding signature authority will commence with the approved election and/or appointment of new Chapter Officers.

To open a bank account for the Chapter or update the signature cards on the account due to a change in elected Chapter Officers, the following items are needed:

1. A copy of the Chapter meeting minutes that reflect the election of the new Chapter Executive Committee Officers and Directors which includes full titles and/or the approval of the establishment of a new account. The minutes should be signed and dated by the Chapter President.
2. A copy of the Bank Signature Authorization Form that provides full name, title, address, and telephone number on the new bank signature cards.
3. A copy of the Georgia Secretary of State Filing that matches the names of the Chapter Officers listed on the Bank Signature Authorization Form.

4.2 Financial Institution Requirements

Chapter Funds shall be deposited in an account insured by the Federal Deposit Insurance Corporation (FDIC) or National Credit Union Administration (NCUA).

The Chapter shall only use a federally insured (FDIC or NCUA) bank or credit union that provides original or image copies of all cancelled checks.

The Chapter must use the services of a bank or credit union that provides the original cancelled check with the monthly bank statement, an imaged copy of the check, or an imaged copy must be available from the institution online. If the institution has a policy that the imaged copy is only available for a limited amount of time, the unit must print all copies of the cleared checks and maintain copies with the monthly statements.

4.3 Account Controls

The Chapter operates on a cash basis. Income is recorded when it is deposited, and expenses are recorded when payment is made. The Chapter uses this method as it is the simplest way of tracking the cash flow of the Chapter.

All checking accounts must be reconciled on a monthly basis by the Chapter Treasurer-Elect. As a further control to ensure that reconciliations are done timely and accurately, the Chapter Treasurer will review and sign off on the reconciliations.

The Chapter Treasurer will serve as the administrator for the accounting software that is utilized to maintain the chapter's finances. The Treasurer-Elect will have manager-level access to the software in order to produce bank reconciliations but will not be able to post to the ledgers. Other members of the Chapter Finance and Budget Committee will have read-only access to the software in order to monitor chapter finances at their convenience but will not be able to make any changes to the system.

Each individual listed as having signature authority and/or member of the Finance and Budget Committee shall have their own username, password, or PIN to access the Chapter's bank account through the financial institution's website.

In no event shall any Chapter Officer or Director procure a debit card, charge card, credit card, or other financial instrument on behalf of the Chapter without written approval by the Chapter Executive Committee. Any member who performs this function will be immediately removed from their position and reported to the National Office of the AGA for ethics violation and permanent removal from AGA. Any disbursements made contrary to this policy will be the responsibility of the individual making the procurement.

The Chapter is approved to be issued one debit card. This card should be issued in the Chapter Treasurer's name and is in possession of the Chapter Treasurer throughout the duration of their term. This card must be deactivated upon the end of their term and returned to the incoming Chapter Treasurer to be destroyed.

5 Fund Management

5.1 Fund Collections

In order to ensure the safe keeping of funds collections and to ensure that the proper amount of funds are collected for chapter activities, there must be a separation of duties established with each activity the organization hosts. The separation of duties shall ensure that the person

collecting the funds is not the same person who records the funds and deposits the money in the checking account.

At least two people will be designated as the official persons to collect the money generated from each event hosted by the chapter. These two individuals will have the responsibility of counting the money that is collected and reconciling to receipts or other records, if applicable, and recording that amount on the Funds Collection Record form (See Funds Collection Record form).

After both individuals have verified the amount collected, signed the Funds Collection Record form, and attached any supporting documentation to the form, within 5 business days they will pass the form for review to the Chapter President or President-Elect for approval to be sent to the Chapter Treasurer.

Once approved, the signed Funds Collection Record form and supporting documentation must be sent to the Chapter Treasurer within 5 business days of the collection of funds or the event date. The Chapter Treasurer will verify that the amount collected for the activity is the proper amount that should have been collected by comparing the receipts to an independent source of information on the event.

For Chapter events that utilize an online ticketing platform, a Funds Collection Record form must be completed by the Chapter Director responsible for the event and the Chapter President. Documentation that clearly identifies the total funds received, any applicable fees paid, and the total amount that will be deposited into the Chapters' account, must be submitted to the Chapter Treasurer along with the Funds Collection Record form.

All events the Chapter sponsors that require the collection of funds through mail should have a similar separation of duties and internal controls to assure that the proper handling of funds takes place. In order to create additional safeguards on the chapter funds the following procedures should be followed:

1. The mail should be collected and opened by the Chapter Secretary (or Chapter President if the Secretary is unavailable). The Secretary shall record all items collected from the post office box on the P.O. Box Collection Record form (See P.O. Box Collection Record form) prior to disbursing the mail to the proper chapter committees or officers. If the mail contains checks for deposit into the chapter account, it will be noted how much the check is for and where it is from prior to passing it on to the Chapter Treasurer.
 - a. When the funds collected relate to an Education, Program, or Other Committee event, the chairs of those committees should receive a copy of the collection log and a copy of the remittance advice and/or check. At the end of each month, the Secretary should make a copy of the mail collection form to keep for his or her records and provide a copy of the form to the Chapter Treasurer, which can be used in place of the Funds Collection Record when making deposits of checks received.
 - b. When funds are received in the mail the Secretary will record the amount on the Funds Collection Record form and endorse any checks with the chapter stamp before passing them on to the Chapter Treasurer.

2. The Chapter Treasurer will make copies of any checks received in the mail to keep as supporting documentation for the deposit.
3. The Chapter Treasurer of the Chapter will deposit receipts within 48 hours after receiving them (weekends excluded).
4. The Chapter Treasurer will make all efforts not to collect funds him or herself, except in extreme circumstances, which can be approved with a vote by the Chapter Executive Committee and documented on the Funds Collection Record form.

5.2 Fund Disbursement

The Chapter Treasurer has express authority to create disbursements, and the Treasurer-Elect, in the absence of the Chapter Treasurer, has authority to generate disbursements.

To be sure that chapter funds are being used in accordance with the wishes of Chapter Officers and Directors all expenditures must be properly approved using a Funds Disbursement Request form (See Funds Disbursement Request form) and accompanied by the proper documentation. This form, as the name implies, is for all funds being disbursed. If the Funds Disbursement Request form is used for reimbursement of payment, the form must be completed within 30 days of the original purchase date.

After the requestor has filled out the Funds Disbursement Request form and signed it, they will then have the Treasurer-Elect review the request. The reviewer has the responsibility of verifying that the request is valid and related to current operations of the organization. The reviewer should also verify that any necessary supporting documentation is attached to the request. The Chapter Treasurer should not sign as requestor or reviewer of Chapter disbursements except in rare circumstances, which can be approved with a vote by the Chapter Executive Committee and on the Funds Disbursement Request form.

After the reviewer of the Funds Disbursement Request form has signed the request, it will then be passed on to the Chapter President or President-Elect of the chapter, who will review the request and sign the form as the approver.

After the Funds Disbursement Request form has all three signatures and the necessary documentation, it will be passed to the Chapter Treasurer who will prepare a check based on the request and provide it to either the requestor or send it to third parties who are being paid. Only the Chapter Treasurer and a designated alternate will be allowed to sign checks for the chapter.

Each request for a disbursement of funds should be made by the committee that requires the funds for the operations pertaining to the respective committee's responsibilities. When the chapter purchases items or pays for services, a receipt must either accompany the request or be supplied to the Chapter Treasurer when received. A receipt will be considered the primary source of documentation for expended chapter funds being spent. Other arrangements can be made if a receipt is not available, but these arrangements need to be made with the Chapter Officers and the Chapter Treasurer prior to funds being disbursed.

Expenditures approved in the yearly budgeting process, regardless of dollar amount, do not require a separate vote from the Chapter Executive Committee for approval, and can be

accomplished using the normal disbursement request process. The Chapter Treasurer shall track the budget to ensure any expenditures above the approved amount are approved by the Chapter Officers and a vote of Chapter Executive Committee members.

Expenditures that were not approved in the yearly budgeting process, regardless of the dollar amount, require approval by the Chapter Officers and must be submitted to the Chapter Executive Committee for a vote. After a positive vote and the Chapter Officers have approved the request of funds to be used for a particular purpose, the requester must follow all steps of the funds disbursement process, including the submission of the Funds Disbursement Request form, prior to the Chapter Treasurer preparing the check.

Expenditures that are set up as recurring charges must receive approval at the beginning of each fiscal year. The Funds Disbursement Request form should be completed once for each recurring charge at the beginning of the fiscal year and should list the amount of each monthly charge and the estimated total for the year. This form should be updated and follow each step of the approval process if charges increase or the amount listed on the request will be exceeded. For each charge made, documentation should be sent to the Chapter Treasurer within fifteen (15) days of the receipt to be attached to the Funds Disbursement Request and included in the Chapter Records.

If an instance occurs where the Chapter Treasurer will need to issue a reimbursement of funds to themselves, a vote for approval must be taken by the Chapter Executive Committee. After a positive vote by the Chapter Executive Committee and the Chapter Officers have approved the request, the Chapter Treasurer must submit the Funds Disbursement Request form to the Chapter President for approval prior to preparing the check. In addition to the Funds Disbursement Request form, the Chapter Treasurer will be required to submit the Chapter Executive Committee Meeting Minutes to the Chapter Treasurer-Elect to be included in the Monthly Treasurer's Report.

5.3 Travel Reimbursement

The Chapter will reimburse travel expenses that are reasonable, necessary, and represent the best value in connection with Chapter-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 Chapter. Best value means that a travel expense represents the lowest cost alternative given the nature and circumstances of required travel.

1. Travel Authorization. The Chapter President will approve all national and regional travel for Chapter business within the available budgeted funds. The Chapter Officers, in coordination with the Chapter Executive Committee, will annually determine the appropriate individuals to attend leadership development meetings and educational training and seminars.

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 Chapter President for adjudication.
 - Expenses incurred within the fiscal year must be submitted by May 31 so that all expenses are included within the program year.
 - If unable to complete the reimbursement form by May 31 estimated travel amounts over \$100 must be reported to the Chapter Treasurer for accrual purposes.

3. Eligibility for Travel Reimbursement. Eligibility for travel reimbursement is outlined in the Chapter's Policy and Procedures manual.

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 Chapter 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.

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 Travel Reimbursement. Expenses eligible for travel reimbursement are outlined in the Chapter's Policy and Procedures Manual.

5.4 Investment of Chapter Funds

As part of managing the cash position of the chapter, the Chapter Treasurer should take steps to place the chapter funds into areas that will help the chapter realize the best possible gain with the time frame that is available. If the chapter deems it in the best interest of the chapter to move funds between account types (Savings, Checking, Certificate of Deposit, etc.), the Chapter Executive Committee will take a vote to approve, and the Funds Transfer form will be approved by the Chapter President or President-Elect to ensure the transfer was completed successfully by the Chapter Treasurer.

5.5 Electronic Fund Management

Electronic Funds Transfer (EFT), PayPal, Zelle, and Eventbrite can be used to facilitate collection of funds for largely attended events. These collections will be recorded on the Funds Collection Record form in a similar manner to cash or check collections. The Chapter Treasurer shall include evidence of the EFT deposit into the Checking Account in the Funds Collection Record form package.

6 Checks and Cancellation of Checks

6.1 Checks

All expenditures (this includes advances, disbursements, or settlements) must be accomplished through checks when check provides the most efficient means to conduct business transactions. This will eliminate the need to keep cash on hand which can be lost, stolen, or misused relatively easily compared to checks or EFT.

Checks will be written only for the payment of particular items and not for cash.

For disbursement of scholarship funds, ensure that checks are made out to the school rather than the recipient of the scholarship. This will ensure that the funds are used for the intended purpose of covering education expenses for the recipient.

For disbursement of funds to members of the Chapter or a Chapter Officer or Director, checks must be deposited into their account within 60 days of the check date.

6.2 Cancellation of Checks

In the rare circumstance that a check requires cancellation, additional documentation will be attached to the original disbursement documentation noting the reason why a check was cancelled and include documentation from the banking institution as confirmation that the action was taken.

In addition, if a recipient loses the check or voluntarily has not deposited their check within 60 days of the check date, written confirmation must be obtained that they will not seek payment for those funds. Attach the written support to the original disbursement documentation. The Chapter will weigh materiality in determining whether to pay the banking institution fee of \$25.00 U.S.D. to formally cancel the check.

In either of the two above circumstances, include a note in the Monthly Treasurer's Report documenting the action taken.

7 Financial Reports and Chapter Records

7.1 Components

The Chapter shall maintain well-organized reporting, records, and accounting systems that provide complete auditable records of all unit transactions. Signatures on any such reports may either be original or digital. These records include:

- Chapter annual budget.
- Reconciled monthly bank statements.
- Deposit slips or records of deposits.
- General ledger that tracks transactions.
- Copy of the Chapter's meeting minutes.
- Monthly Treasurer's Report.

7.2 Monthly Treasurer's Report

Another responsibility of the Chapter Treasurer is to manage the funds of the organization. This includes informing Chapter Officers and Directors of the availability of funds and reporting on cash position of the chapter on a regular basis. This is communicated through the completion of the Monthly Treasurer's report and with financial statement presentations at the monthly Chapter Executive Committee meeting. The Monthly Treasurer's Report includes:

- Reconciled monthly bank statements
- Chapter Budget and Expenditures to-date
- Funds Collection Record
- P.O./Mailbox Collection Record
- Record of Deposits
- Funds Transfer Form
- Funds Disbursement Request
- Note of Cancellation of Check

7.3 Retention

The Chapter Secretary shall maintain the financial reports and chapter records. This shall include records and reports for the current year plus no fewer than six previous years.

7.4 Availability to Membership

Financial reports and chapter records shall be made available to members through the chapter website and upon request of members.

The Chapter's general ledger and the Monthly Treasurer's Report shall be provided to the Chapter Webmaster monthly upon completion to be uploaded to the website.

8 Use of Forms

The forms are part of the controls used to monitor and assure that the intake and outflow of funds are properly used in the everyday conducting of chapter business. The narrative is provided to lend clarity of their use.

8.1 Funds Collection Record

The form is used to record the inflow of funds. Examples follow but are not limited to those provided:

- Donations to the chapter.
- Money from luncheons.
- Money from AGA National or DFAS.
- Return of excess money from “Good Faith Estimates.”

8.2 P.O./Mailbox Collection Record

This form is primarily used by the chapter Secretary to notate checks, letters, bills, and other items collected from our Post Office Box.

If a check is received via mail, the P.O./Mailbox Collection Record form can be used in lieu of the Funds Collection Record form.

8.3 Funds Disbursement Request

This form is used for all outgoing funds. It covers three specific areas: *Advances*, *Reimbursements*, and *Settlements*. Checking the box for the appropriate area on the form will allow for the proper disbursement reason to be recorded.

- *Advances* – Typically these are monies that are needed for pre-payment of luncheons or other chapter activities, or for needed items. If the exact amount is not known, then a “Good Faith Estimate” of plus or minus 25% can be requested. If the actual amount exceeds the plus 15% estimate, then appropriate documents and an explanation must be provided to the Chapter Officers.
- *Reimbursements* – In exceptional cases where a chapter member uses private funds to pay for a chapter activity or item and has been given permission by the Chapter Officers to do so, then funds will be reimbursed. Receipts and/or other documentation are required to substantiate the reimbursement.
- *Settlements* – If any person or business is owed money this box is used to balance or settle the open account. For example, if the AGA Atlanta Chapter held a joint luncheon with the local American society of Military Comptrollers (ASMC) chapter and the AGA Atlanta Chapter collected the proceeds from the luncheon, then there would be a “settlement” due. The proceeds are typically split, so half of those proceeds would be given to the ASMC chapter. The Advance box would be checked by the Programs Committee Chairperson and along with approvals, receipts, and other needed documentation the funds would be disbursed by the Treasurer to affect the settlement.