

American Society of Safety Engineers

Chapter Accounting Standard Operating Guidelines

May 20, 2011



For more information, please contact Chapter Services at chapterservices@asse.org or contact Customer Service at 847-699-2929.

This document has been prepared to be an accounting procedure guideline for Chapters of the American Society of Safety Engineers. Its purpose is to ensure that assets are safeguarded, that financial statements are in conformity with generally accepted accounting principles, and that finances are managed with responsible stewardship.

All personnel with a role in the Chapter management of fiscal operations are expected to uphold the policies in this manual. The intent is that this serves as Chapter Executive Committee’s commitment to proper, accurate financial management and reporting.

Required forms for the current financial year can be obtained from Officer Central under the Treasurer’s tab or from chapterservices@asse.org.

Text in the body of sections that is **bold highlights** procedures that are required as identified by “**must**” or “**shall**”.

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I. “Must” and Shalls”

This section of the document summarizes all of the “must” and “shalls” listed in the different sections of this document. Each “must” and “shall” are also included in their respective section of the document and highlighted in bold. In most cases, they will be the first guideline listed in a section.

1. No monies obtained by the Chapter will be deposited into a personal bank account or any other account, which has not been approved by the Executive Committee.
2. All cash accounts owned by the Chapter will be held in financial institutions, which are federally insured and have been approved by the Executive Committee.
3. All disbursements must be pre-approved by a quorum of the Executive Committee.
4. Checks shall never be written directly to an individual by the same individual.
5. Approval for an expense by the member must be indicated on the check request voucher, or at minimum, by e-mail.
6. Checks shall never be cashed through the petty cash fund.
7. A single disbursement from petty cash shall never exceed a pre-set level, determined by the Chapter Executive Committee, such as \$20.
8. The petty cash fund shall be operated on an impress basis which means the amount of the petty cash fund should remain constant:
 - i. When it is time to replenish the petty cash fund, the Treasurer shall total out the expenses made and identify those expenses by general ledger account number.
9. In the absence of backup materials, receipts for the purchase must be provided to the Treasurer for attachment to the check request within two weeks from the check date.
10. No alcohol may be included on an expense report.
11. All contracts to exceed \$1,500 over the course of the year must be approved by the Chapter Executive Committee and the contract approved by the Region VP.
12. Any contract potential conflict of interest must be presented to the Chapter Executive Committee before the contract is accepted.
13. The Minutes from each Chapter Executive Committee meeting shall reflect the submittal and approval of the monthly financial report by the committee.
14. The Chapter Executive Committee shall approve new signers to each bank account.
15. The Chapter Executive Committee shall approve any new and necessary bank accounts.

16. As required, new signers shall complete the appropriate signature card and Chapter resolutions.
17. The President shall represent the Chapter at meetings and conferences, unless other attendees are needed.
18. The dates, location, and reason for travel must be identified and approved by the Chapter Executive Committee.
19. The vote to approve the travel shall include a discussion on the requested approximate travel expenses to be covered.

II. Chapter Executive Committee Duties & Responsibilities

The following is a list of Chapter Executive Committee members who have responsibilities to ensure proper accounting of chapter funds:

A. President

1. Reviews and approves all financial reports.
2. Reviews and approves annual budget.
3. Reviews and approves vouchers and invoices for those checks, which require his or her signature.
4. With the Treasurer, and input from the Executive Committee, develops the annual budget and submits to the membership.
5. Reviews and approves list of pending check disbursements.
6. Appoints Committee for internal audit.

B. Treasurer

1. Should use Financial Report Workbook provided annually by the Society and available in Officer Central under the Treasurer's tab.
2. Processes all receipts and disbursements.
3. Receives and reviews bank statements monthly.
4. Processes annual tax returns.
5. Transfers funds into authorized accounts as needed. When the Treasurer is unavailable, the President handles this transaction.
6. Maintains and reconciles the financial report and budget monthly.
7. With the President, and as voted and approved by the Executive Committee, prepares the annual budget.
8. Prepares all financial reports, including processing requests for reimbursements.
9. Reconciles the bank accounts.
10. Reconciles the statement of credit/debit card deposits and service charges. Double checks all reimbursement requests against receipts provided.
11. Reviews and approves vouchers and invoices for those checks, which require his or her signature.
12. Provides reimbursement checks to members within 30 days of receiving proper authorization and receipts.
13. Submits annual Financial Report to ASSE headquarters on or before May 31.
14. Submits proof of IRS filing or proof extension to ASSE headquarters by August 15.

C. Executive Committee Members

1. Authorizes expenses reimbursement requests over \$100.00.
2. Reviews and approves all financial spending and reports, internal audits and annual budget and recorded in the minutes.

III. Cash Receipts Procedures

A. General

1. **No monies obtained by the Chapter will be deposited into a personal bank account or any other account, which has not been approved by the Executive Committee.**
2. **All cash accounts owned by the Chapter will be held in financial institutions, which are federally insured and have been approved by the Executive Committee.** To review a listing of bank ratings, go to a site such as BauerFinancial at: <http://www.bauerfinancial.com/home.html>. A rating of 3 or higher should be adequate for chapter operations. A 5 is the highest rating. At a bank that is federally insured, the chapter could get its money back if it were to collapse, however it may be tied up for some time.
3. All checks/cash received by the Treasurer* should be recorded on a cash receipts and disbursements log which states the amount of money collected, from whom it was collected, who it was collected by and who it was turned over to for deposit. A copy of the cash/money receipts book and event sign-in sheet will be given to the Treasurer as soon as possible.
4. The Treasurer prepares a deposit slip and deposits the funds into the approved Chapter bank account. The validated deposit slip should be attached to the Treasurer's cash receipts and disbursements log and filed. All check copies should be filed monthly with the bank statement.
5. A deposit not forwarded or mailed to the bank should be secured in a safe location. No deposit should be retained for more than 10 days. If the funds are mailed to the bank, the Treasurer should record all checks received in the monthly financial report. The Treasurer should make a copy of each check mailed and file them according to the month received in a separate file folder.
6. The Chapter bank account balances and all deposits, withdrawals and charges should be communicated to all Chapter Executive Committee members via email and directly from the banking institution or by similar method.

** The Treasurer is responsible for accepting all checks and/or cash. However, in the event of the Treasurer's absence, another Chapter Executive Committee Member designated by the President may receive checks/cash.*

B. Funds Received by Wire Transfer

1. Funds may be received by a wire transfer from operations such as an online account (e.g. PayPal, Cvent, etc).
2. The Treasurer will initiate a wire transfer of funds. The Treasurer will complete this for all transactions on the Chapter's transferring account. In the event the Treasurer is unavailable, the President will be responsible for this duty.

3. The Treasurer will monitor the transfer of funds and maintain the appropriate records of this transaction and verify funds were transferred successfully. In the event the Treasurer is unavailable, the President will be responsible for this duty.
4. As soon as the funds are credited to the Chapter bank account, the bank should send a credit memo to, at a minimum, the Treasurer and Chapter President, via email. The Treasurer should reconcile these credit memos to the total cash received at the end of the month.
5. The Treasurer and at least 2 members of the Executive Committee should authorize wire transfers to any accounts other than the Chapter's bank account.

C. Internal Transfers

1. All funds received should be deposited into the Chapter bank account.
2. In order to transfer funds from an approved Chapter savings account into a Chapter checking account, the following procedures should be followed if the chapter has more than one checking or savings account:
 - a. The Treasurer should monitor the balance in the checking account and determine if there are adequate funds to pay the daily expenses.
 - b. The Treasurer should prepare a transfer memo for approval by the President to transfer the necessary amounts from the savings account to the checking account.

D. Funds received from Credit Card Sales Transactions

1. The President and Treasurer are responsible for processing the receipt of funds through the credit card sales transactions directly into the Chapter bank account.
2. Transactions are to be processed on a weekly basis, with a list of the credits and date processed delivered to the Treasurer in order to double-check against the bank statement.
3. The statement of deposits and service charges will be reconciled by the Treasurer.

IV. Cash Disbursement Procedures

- A. **All disbursements must be pre-approved by a quorum of the Executive Committee.**
- B. **Checks shall never be written directly to an individual by the same individual.**
- C. Incoming invoices will be logged in by the Treasurer on a cash receipts and disbursement log for ordering the product or service and delivered to the President or Executive Committee for approval and to prepare a check request voucher prior to disbursement dates.
- D. The Chapter member responsible for ordering the product or service will check the validity of the invoice against proposals/bids, etc. and work to be accomplished or delivered and prepare a check request voucher prior to disbursement dates.
- E. Cash disbursements should be prepared by the Treasurer and approved by the President or Executive Committee on a monthly basis.
- F. Travel cash advances may be made under special conditions and with the approval of the Executive Committee.

- G. The Treasurer is responsible for the preparation of disbursements. All disbursements are to be made by check unless the item is purchased using the Chapter Bank Credit Card (note that checks may also include electronic bill payment, which some banks have the capability of offering).
- H. A check request voucher should then be completed by the requesting Chapter Member and attached to the original vendor invoice, and/or any other supporting documentation. The voucher should include the account codes to which the expense will be applied. **Approval for an expense by the member must be indicated on the check request voucher, or at minimum, by e-mail.**
- I. The Treasurer should then complete the monthly financial report, including outstanding checks. A total of the disbursements to be paid will be recorded on the report and sent to the President for approval, along with the current balance in any and all cash accounts.
- J. The President or Treasurer may sign checks and have signatory authority for the bank. This approval is to ensure the account and project is charged to the correct expense and line item.
 - All checks will be mailed as soon as this process is complete.
- K. Supporting documentation, including process expense report, should be filed by the Treasurer in a folder for financial transactions. Expense reports will be maintained, which will disclose the nature of expenses and the dates incurred.
- L. The Treasurer will utilize the paid invoice files to respond to any discrepancies which arise with vendors or other payees.
- M. Once monthly, the Treasurer will check the invoice log to determine if there are any outstanding invoices, which have not yet been paid. If so, the Treasurer will investigate the nonpayment of these invoices with the responsible Officer.
- N. Any donation to the Chapter will be recorded in the books and records of the Chapter.

V. Reconciliations

A. Cash Flow

1. Chapters are expected to maintain a minimum of 150 percent (150%) of the operating budget between its checking account and other bank accounts at all times.
2. In the event that balances fall below that amount the President, Treasurer and Chapter Executive Committee should be notified immediately.

B. Bank Reconciliations

1. Chapter accounts should be opened in banks where electronic banking and notification is available.
2. Electronic bank statements should be available online to the President and Treasurer, as well as any other member of the Chapter Executive Committee that may be designated as needing appropriate access to that data.
3. The Treasurer should reconcile each account promptly upon receipt of the bank statements. The President and Treasurer should review the monthly bank statements for inconsistent check numbers, signatures, cash balances and payees and endorsements at a minimum. All accounts will be reconciled no later than 7

days after receipt of the monthly bank statements. In the event it is not possible to reconcile the bank statements in this period of time, the President or President-Elect/Vice President should be notified by the Treasurer.

4. When reconciling the bank accounts, the following items should be included in the procedures:
 - a. A comparison of dates and amounts of daily deposits as shown on the bank statements with the cash receipts journal.
 - b. A comparison of inter-organization bank transfers to be certain that both sides of the transactions have been recorded on the books.
 - c. An investigation of items rejected by the bank, i.e., returned checks or deposits.
 - d. A comparison of wire transfers dates received with dates sent.
 - e. A comparison of canceled checks with the check register and/or the sign-in sheet for events as to check number, payee and amount.
 - f. An accounting for the sequence of checks both from month to month and within a month.
 - g. An examination of canceled checks for authorized signatures, irregular endorsements, and alterations.
 - h. A review and proper mutilation of void check.
 - i. Investigate and write off checks, which have been outstanding for more than six months.
5. Completed bank reconciliations should be reviewed by the President and initialed and dated by the reviewer.
6. The Treasurer upon receipt of the completed bank reconciliations prepares any general ledger adjustments.

C. Reconciliations of Other General Ledger Accounts:

1. Each month, the Treasurer and President should review the ending balance shown on balance sheet accounts for all Chapter accounts.
2. The Treasurer and President should review the bank reconciliations, schedules of accounts receivable and deferred revenue and the aging of accounts payable to support the balances shown on the balance sheet on no less than a bi-monthly basis.

VI. Petty Cash Fund

Most Chapters maintain a petty cash fund of some minimal amount determined by the Chapter Executive Committee (e.g. \$50-\$100.00) with the Treasurer being the custodian.

- A. **Checks shall never be cashed through the petty cash fund.**
- B. **A single disbursement from petty cash shall never exceed a pre-set level, determined by the Chapter Executive Committee, such as \$20.**
- C. **The petty cash fund shall be operated on an impress basis which means the amount of the petty cash fund should remain constant:**

1. **When it is time to replenish the petty cash fund, the Treasurer shall total out the expenses made and identify those expenses by general ledger account number.**
 2. When the check request is submitted for payment it should indicate the total amount needed to bring the fund back up to the set amount determined by the Chapter Executive Committee.
 3. The check request should breakdown the various expense accounts being charged and the amount charged to each.
- D. A recipient of petty cash funds must sign a petty cash register indicate receipt of the funds; the paid receipt should be attached to the sheet.
- E. When a request for petty cash reimbursement is made to the Treasurer, the reason for the request should be listed on a petty cash fund reconciliation sheet.
1. A description of the item charged should be recorded together with the amount.
 2. A vendor receipt must be received by the Treasurer for the amount of the request in order for the request to be approved.
- F. At least once annually, the President or Vice President should conduct a review of the fund.
1. When this is done, he/she should count, while the Treasurer is in attendance, the total monies on hand and the total amount of receipts in the petty cash box. The two amounts should equal exactly the amount set by the Chapter Executive Committee.
 2. Any discrepancies should be discussed and resolved immediately.

VII. Purchases

A. To Prompt a Purchase

1. When the normal cash disbursement procedure of invoice, etc., is not appropriate, (i.e., postage, petty cash, <\$100.00, etc.) a check request should be completed and forwarded with any order form or other documentation to the President or at least two members of the Chapter Executive Committee for approval.
 - If the check is made out to either the Treasurer or President, that individual cannot approve the check request voucher.
2. Approved check requests should be sent to the Treasurer for payment.
3. **In the absence of backup materials, receipts for the purchase must be provided to the Treasurer for attachment to the check request within two weeks from the check date.**

B. Credit Card Purchases

This applies if a Chapter credit or debit card is required for electronic banking of the type of account maintained by the Chapter. It is recommended that the Credit/Debit cardholder agreement be used that is found in the Appendix.

1. Only the President and Treasurer carries a Chapter credit card in his or her name. The purchase of airline tickets and other authorized business expenditures may be made by other Officers using the Chapter credit card with pre-approval by the Chapter Executive Committee. In every case of credit card usage, the individual charging a Chapter account will be held personally responsible in the event that the charge is deemed personal or unauthorized.
2. Authorized uses of the credit card include travel expenses covered in a later section of this document. These include: airline/rail tickets, lodging, internet access, meals, parking charges, business telephone calls, etc. Receipts should be compiled and submitted with an expense report on a monthly basis.
3. Unauthorized use of the credit card include: Personal or non-business expenditures of any kind, expenditures which have not been properly authorized.

C. Documentation for Purchases

1. Every purchase must be documented. This can include: travel authorizations, receipts, individuals paid for, nature of business, etc. before the expense will be considered authorized and will be approved for reimbursement.
2. Lodging - Provide an itemized receipt from the hotel detailing every charge and the name of the person(s) for whom lodging was provided. (including parking and internet access fees).
3. Meals/Entertainment - Provide a receipt showing the cost for food/beverage and gratuities, and including the names of every person for whom food or beverage was provided and the specific business purpose, which was furthered by the expenditure. **No alcohol may be included.**
 - *For example, A Luncheon Meeting with John Smith, President of the ABC Chapter of ASSE, and Mary Doe, Secretary or Region X of ASSE, to finalize the speakers and program for the November 10-12, 2010 Region X PDC in Myrtle Beach, SC.*
4. Other Expenditures - A receipt from the vendor detailing every individual good or service purchased (including class of service for commercial transportation) accompanied by an explanation of the specific business purpose, which was furthered by each expenditure.

For example, A round trip coach flight Washington Dulles airport to Myrtle Beach airport for the 2010 Region XPDC at the Plantation Resort in Myrtle Beach, SC September 23-27, 2010.
5. The Treasurer shall verify all approved reimbursement requests against receipts provided.

D. Capital Expenditures

1. For all major expenditures (>\$500) such as banners, audit services, printing services, etc., three bids should to be obtained before a purchasing decision is made.
2. If the annual amount will exceed \$2,000, a bidding process and review will be conducted. All bids, including phone quotes, must be recorded and kept on file.

E. Contracts

1. **All contracts to exceed \$1,500 over the course of the year must be approved by the Chapter Executive Committee and the contract approved by the Region VP.**
2. **Any potential conflict of interest must be presented to the Chapter Executive Committee before the contract is accepted.**
 - a. It is also recommended that this be presented to at the Region RVP before acceptance.
3. Contracts for purchasing products or services, similar to a purchase order, should be created and maintained for the file whenever appropriate.

VIII. Fixed Asset Management

- A. A permanent property log or database is to be maintained by the President for all fixed assets purchased by the Chapter.
- B. The log should contain the following information:
 - a. date of purchase
 - b. description of item purchased
 - c. received by donation or purchased
 - d. cost or fair market value on the date receipt
 - e. donor or funding source, if applicable
 - f. funding source restrictions on use or disposition
 - g. identification/serial number (if appropriate)
 - h. depreciation period
 - i. vendor name and address
 - j. warranty period
 - k. inventory tag (fixed assets are to be tagged with a unique identifying number)
 - l. number of the Chapter check used to pay for the equipment
- C. At least annually, a physical inspection and inventory should be taken of all Chapter fixed assets and reconciled to the general ledger balances. Adjustments for dispositions should be made.
- D. The President should be informed of any material changes in the status of property and equipment. This should include changes in location, sale of, scrapping of and/or obsolescence of items.

IX. Financial Reporting

A. Monthly Reports

1. **The Minutes from each Chapter Executive Committee meeting shall reflect the submittal and approval of the monthly financial report by the committee.**
2. The Treasurer should prepare a monthly financial report and budget for distribution to the President, and the Chapter Executive Committee. The reports should be made on the ASSE supplied financial reports spreadsheet.
3. The monthly statement should be reviewed by the President and Treasurer. The monthly statement should include:
 - a. A balance sheet and a statement of income and expenses for budgetary line item;
 - b. A balance sheet and income and expense report which show all line items combined;
 - c. A budget-to-actual report for all accounts included in the annual operating budget;
 - d. A list of deferred and receivable funds, and the cash flow projection.
4. Submit annual Financial Report in the required form as required by SOG 8.10 to the Society on or before May 31.

X. Internal Audits and Reports

A. Internal Audit Committee

1. An internal audit can be completed by qualified ASSE members.
 - a. An Audit Committee (of qualified individuals). The committee should consist of (at a minimum):
 - i. The incoming Chapter President;
 - ii. Another Chapter Executive Committee member;
 - iii. A member of the Chapter who is not a member of the Chapter/Region executive committee in the financial year to be audited.
 - b. The Treasurer and outgoing President will make themselves available to provide records and answers to any questions regarding the audit.
2. Results of the Audit must be reported to the Chapter/Region executive committee as soon as the Audit is completed. Deficiencies must be addressed and/or corrected as soon as possible.

B. Internal Audit Frequency

1. An internal audit of the Chapter finances is to be conducted annually, at or near the end of the fiscal year, but before the start of the new Chapter year. The internal audit should be conducted prior to the Installation of Officers for the following year.

2. An internal audit will also be completed immediately after a President or Treasurer resigns or is removed from office.

C. Year-End Report/Audit:

1. At the conclusion of each fiscal year, a year-end Audit report should be prepared summarizing the total income and expense activity for the year.
 - a. A balance sheet should be prepared as of March 31 and should be attached to the income and expense report.
2. This report will be initially reviewed by the President and President-elect/Vice President, and then by the Treasurer, prior to distribution to the Chapter Executive Committee.

D. Audit Procedures

1. All records, check books, receipts, financial documents will be reviewed.
2. Bank statements will be reviewed and checked for inconsistencies.
3. Bank statements, copies of checks, expense reimbursements and receipts will be checked and compared to the monthly financial reports.
4. All travel expenses will be checked for proper authorization.
5. Chapter bank account withdrawals and checks issued will be checked for proper authorization. All requests for payments and reimbursements should have a properly authorized check request available.
6. Every error/omission/deficiency found should be logged individually.
7. Any inconsistencies or suspicion of misappropriation or unethical conduct shall be reported to the Chapter Executive Committee and Regional Vice President.
8. Results of the audit must be reported to the Chapter/Region executive committee as soon as the audit is completed, and no later than 30 days of discovery. Deficiencies must be addressed and/or corrected as soon as possible.
9. If the internal audit committee is unable to complete the audit due to inconsistencies, a 3rd party accounting firm will be hired to conduct an independent forensic audit.
10. The results of the internal audit and any 3rd party audit will be reported to the Chapter Executive Committee and the Chapter membership.

XI. New Chapter Year Checklist

At the start of each new Chapter year, the Chapter Executive Committee will hold a meeting to coordinate financial policies for the upcoming Chapter year.

- A. **The Chapter Executive Committee shall approve new signers to each bank account.**
- B. **The Chapter Executive Committee shall approve any new and necessary bank accounts.**
- C. **As required, new signers shall complete the appropriate signature card and Chapter resolutions.**
- D. Name, address and telephone directory of new Chapter Executive Committee members will be obtained for the Treasurer.

- E. A review of the current operating procedures should be made with the President and Treasurer and reaffirmed or revised.
- F. All financial institutions should be notified of any changes to the authorized signers of the accounts within three (3) business days following a change of officers on the account(s).

XII. Travel Standard Operating Procedure

A. Travel Overview:

Members of the Chapter Executive Committee or Chairs be asked to travel for any number of meetings or conferences. These may include Leadership Training, ROC meetings, or the Society PDC. The following guidelines have been developed to assist the Chapter Executive Committee in the facilitation and management of such travel. Travel needs should be identified in the annual budget prior to the chapter year as a way to anticipate approximate travel cost needs.

B. Prior to Travel:

1. **The President shall represent the Chapter at meetings and conferences, unless other attendees are needed.** The President will announce the upcoming need for travel (meeting, conference, etc.) and his/her plans to attend. If the President is unable to attend, and wishes to send an alternate, they may do so with input from the Chapter Executive Committee.
2. **The dates, location, and reason for travel must be identified and approved by the Chapter Executive Committee.**
3. **The vote to approve the travel shall include a discussion on the requested approximate travel expenses to be covered.** This should include the number of nights stay, the method of travel and any other expenses that will be expected to be covered.
4. The Secretary and Treasurer should note what the Chapter Executive Committee has approved to cover.

C. Immediately following travel:

1. The attendee will complete a reimbursement form and attach all required receipts. This will be submitted to the President and Treasurer.
2. The Treasurer will follow the accounting guidelines in this document before issuing reimbursement.
3. This disbursement of funds will be included in the Treasurer's monthly report, and will be included in the meeting minutes by the Secretary.

D. Travel Expense Guidelines

- a. **Hotel** - Prior approval will be given on how many nights the chapter will cover. Typically, the ROC meetings are two half days and a one night stay needed. This may be adjusted with prior approval based on the travel distance. For the House of Delegates (HoD) meeting held with the Society's annual Professional Development Conference (PDC), one day is typically covered with up to two days in certain locations. For the annual Society's Leadership Conference, 2 to 4 days of hotel may be approved as necessary.
- b. **Travel** – Gas receipts for personal vehicles will be reimbursed when the ROC is being held more than 50 miles away from the traveler's home. The chapter may choose to reimburse on mileage instead of gas receipts. The IRS sets the mileage reimbursement rate annually. This rate is intended to reimburse gas, insurance, wear & tear expenses for personal car use for business purposes. The IRS rate is the maximum that can be paid. However, there is no IRS requirement that you must reimburse this amount. Less is ok, but that is a business decision that each business can make given its circumstances.
- c. **Airfare** – no airfare will be covered for ROC meetings unless the ROC is in an area where the travel time and costs would be burdensome. Airfare maybe acceptable for the HoD meeting held at the Society's PDC. Airfare must be coach class, economy fare. Coach airfare will be reimbursed when purchased 30 days in advance. The chapter will not cover any upgrades to airfare. No airfare will be reimbursed unless the cost was first approved by a simple majority of the Chapter Executive Committee.
- d. **Rental Car** - Rental cars will not be covered without approval from the Chapter Executive Committee.
- e. **Taxi** – The Chapter will cover taxi charges to and from the airport with receipts when airfare is approved.
- f. **Meals** – the Chapter will cover the reasonable cost of meals, not to exceed \$50 per day, with receipts.

E. ROC Meetings Additional Guidelines:

1. The Region holds a variety of ROC meetings during a Chapter year and the Chapter should send at least one representative to each ROC meeting.
2. The Chapter will cover expenses for up to two members of the Executive Committee to attend the ROC meeting to represent the Chapter. Preference is given to President and President-Elect. If they are unable to attend, the President may recommend an alternate to attend. On certain occasions, more than one Chapter Executive Committee member may attend a ROC with a vote approval of the Chapter Executive Committee.
3. If Officer Training is being held at a ROC meeting, the Chapter may increase the number of attending Chapter Executive Committee members based on the annual budget and available funds. For these meetings, the Treasurer and any new members of the Chapter Executive Committee should be given preference.
4. When possible, travelers should consider ways to cut costs, such as carpooling.

F. Society PDC/House of Delegates Meeting

1. Currently, there is one House of Delegates Meeting held during a Chapter Year with the Society PDC.
2. The Chapter will cover the following expenses for one member* of the Chapter Executive Committee to attend the Society PDC as a representative of the Chapter at the House of Delegates (HOD) meeting. Preference is given to the current Past-President/Delegate position, but the President or President-Elect may be asked to attend if the Delegate cannot attend. If they are unable to attend, the President may recommend an alternate to attend. On certain occasions, more than one Chapter Executive Committee member may attend a Society PDC with a vote approval of the Chapter Executive Committee, based on the annual budget.

G. Leadership Training

1. Currently, there is one Leadership Conference held during a Chapter Year.
2. The Chapter will cover the following expenses for up to 3 members of the Chapter Executive Committee that are interested in attending. This number will depend on the annual budget.
3. While the intent is to provide training to newer members or potential members of the Chapter Executive Committee, attendance should be rotated.

H. Miscellaneous Travel

1. All other travel must be approved in advance by the Chapter Executive Committee, using the travel procedures provided above as a guideline.

Appendix

A. Sample Audit Checklist

Banking Institution	Deficiency & Date
<p>1. Are checking account(s) maintained in an FDIC insured depository under the Chapter/Region's name and Chapter/Region's tax ID number?</p> <p><i>Funds must never be deposited in an officer's account.</i></p> <p><i>A bank account must never be set up under an officer's tax ID number.</i></p>	
<p>2. The checking account should earn interest.</p>	
<p>3. The checking account should not be subject to a monthly maintenance fee.</p>	
Financial Control Processes	Deficiency & Date
<p>4. All checks over \$100 require a payment voucher (see form on ASSE Officer Central) and approval of vouchers by signature of two officers. Exception - monthly luncheon meeting payments where only the receipt record will require two signatures.</p>	
<p>5. Do all checks over \$500 have an authorized signature?</p>	
<p>6. Are all checks signed by other than the payee?</p>	
<p>7. Are all bills paid only from receipts or invoices?</p>	

8. Are all requests for payment (invoices and check request/expense reimbursement forms) approved by a Chapter/Region officer other than the Treasurer?	
9. Are all invoices marked "paid", indicating the date paid, check number, account to be charged, and amount paid?	
10. Are the bank statements reconciled monthly to the Chapter/Region's ledger cash accounts and/or checkbook?	
11. Are cash receipts recorded and deposited as soon as possible and all expenditures recorded at the time they are made?	
12. Are all funds (checks and cash) received by the Chapter/Region deposited at least monthly?	
Financial Records	Deficiency & Date
13. Is there a Chapter/Region operating budget for each fiscal year?	
14. Is/are the appropriate tax return(s) filed with the Internal Revenue Service for each year?	
15. Chapter records are maintained on a "cash basis". <i>Money received by the Chapter is considered a Cash Receipt only when it is deposited in the bank, and money spent is considered a Cash Disbursement when the check is written.</i>	
16. Are IRS guidelines followed for proper supporting documentation of expenses?	

17. Select one or two months and make sure all deposits recorded in the financial records show up on the bank statement and all canceled checks returned with the bank statement are recorded in the financial records.	
18. Compare the year-to-date amounts on the March financial report (these are the amounts that will be presented on the Annual Financial Report submitted to ASSE Headquarters) to the financial records to make sure they agree.	
19. Verify that the financial report balances.	
Investments (if applicable) Deficiency & Date	
20. Are investment account(s) maintained under the Chapter/Region's name and Chapter/Region's tax ID number? <i>An investment account must never be set up under an officer's tax ID number.</i>	
21. Are the investment statements reconciled at least annually to the Chapter/Region's financial records?	
22. Investments should be recorded on the books at cost.	
23. If known, are <u>unrealized</u> gains/losses recorded on the books to maintain proper accounting compliance?	
24. Are <u>realized</u> gains and losses recorded as income or negative income?	

B. Sample Wording for Cover Letters for Reporting Results

Sample Cover Statement for “Good Order”

“We/I have examined the financial statements of the Sample Chapter for the fiscal year ended March 31, 20 _____. Our examination included a review of the Treasurer's reports, files, bank statements, checking and savings account deposits, and checks. In our opinion, the Sample Chapter's records are in good order as of March 31, 20_____.”

Signed

Date

Sample Cover Statement for Irregularities

“We/I have examined the financial statements of the Sample Chapter for the fiscal year ended March 31, 20 _____. Our examination included a review of the Treasurer's reports, files, bank statements, checking and savings account deposits, and checks. In our opinion, the following irregularities exist in reference to the audit guidelines provided.

[List irregularities and dates]

Signed

Date

