

National Association of Statewide Independent Living Councils

Financial Policies and Procedures

Effective Date: Effective Date

Approved by: BOARD APPROVAL DATE

1. Purpose

This Financial Policy establishes clear, transparent, and consistent guidelines for managing the financial activities of National Association of Statewide Independent Living Councils (NASILC). The policy ensures responsible stewardship of funds, promotes accountability, and supports the association's mission.

2. Scope

This policy applies to all financial activities and decisions made by board members and any individuals authorized to act on behalf of NASILC.

3. Roles and Responsibilities

- **Treasurer:** Primary financial officer; maintains records, prepares reports, manages the bank account, and coordinates with other board members on financial matters.
- **Chairperson:** Provides oversight, approves payments where required, and ensures policy adherence.
- **Board of Directors:** Reviews and approves budgets, major expenses, and financial reports.

As a volunteer-run association, no board member receives financial compensation for their service. Due to limitations of geography and no paid staff, NASILC will rely on internal reviews and approval processes that include multiple officers when separation of duties would be difficult to maintain.

4. Banking and Accounts

- The association shall maintain banking accounts at a federally insured financial institution.
- All accounts shall be opened in the name of NASILC using its Federal Employer Identification Number (EIN).
- At least two board members (typically the Treasurer and Chair) shall be authorized signers on the account, additional officers may be added, as authorized by the Board of Directors.
- Upon changes to the Board of Directors, authorized signers will be updated within 30 days.
- Online banking access shall be restricted to the Treasurer and one backup board member with access to make transactions. Authorized signers may have access to online accounts with limitations to view reports, statements, and transactional histories only.
- NASILC may maintain an electronic system to receive payment. The electronic system will be recorded in the NASILC accounting software as a bank account and be subject to regular reconciliation. As necessary, and at least quarterly, the electronic system balance will be transferred to the primary banking accounts.
- Banking Accounts shall be reconciled monthly. Reconciliation reports will be completed by the Treasurer with corresponding statements and reviewed by the Chairperson and Vice-Chairperson.

5. Income and Deposits

- All funds received, including membership dues, donations, and event revenues, must be deposited into the association's account within 7 business days of receipt.
 - Checks received will be marked "for deposit only" and deposited at the bank where NASILC maintains active accounts.
 - Electronic/Remote deposit of checks may be used as an accommodation or if the Treasurer is not within a reasonable distance of a local branch. If the Treasurer is unable to regularly access a bank branch, the Board of Directors will authorize the receipt of check payment to another officer.

- Checks and physical payments received by mail will be sent to the Treasurer, when payments are received an email confirmation will be sent to the payor and the NASILC Chairperson.
- Funds received electronically will be recorded in the NASILC accounting software.
- A record of all deposits, including source and amount, shall be maintained by the Treasurer and entered into the NASILC accounting software.

6. Expense Approval and Payments

- **Routine expenses under \$500** may be approved and reimbursed by the Treasurer with documentation. Routine expenses are those that are recurring and included in the approved budget (e.g., annual subscriptions, website hosting).
 - Payments may be made by check or electronic payments.
- **Expenses over \$500** require written/email approval from at least one other officer, typically the Chairperson.
 - Payments may be made by check or electronic payments after approval of a second officer.
- **Emergency and Expenses not within approved budget** require approval from the Executive Committee. Expenditures will be reported to the full Board of Directors at the next regularly scheduled meeting.
 - Payments may be made by check or electronic payment following approval of the Executive Committee.
- All expenses and payments will maintain proper documentation of the expenses and be accurately reflected in the NASILC accounting software.

All expenses must be aligned with the NASILC's mission and annual budget.

7. Use of Credit and Debit Cards

- Credit Cards or Debit Cards may be issued to the NASILC Chairperson and Treasurer for use when electronic payments are required.
- Use of credit or debit cards will follow the same approval process as other payments outlined in Section 6 of this policy.
- All transactions will be documented and documentation maintained.

- If a credit card is issued, each card will be recorded in the NASILC Accounting software as a separate account and reconciled monthly.
- Each officer is responsible for the card they are issued. When not in use, the card should be stored securely by the officer and its whereabouts reported to the Executive Committee.
- Upon election of new officers, either due to scheduled elections or unanticipated vacancy, the Bank will be notified by the Chair within 48 hours that the card is to be deactivated.
- If a card is lost or stolen, it will be reported to the Executive Committee immediately. The issuer of the card will be notified within 24 hours and new cards requested if necessary. The Executive Committee will document the event and resolution.

9. Budgeting and Reporting

- The Treasurer shall present an **annual budget** for board approval before the start of each fiscal year.
- A **quarterly financial report** including income, expenses, and current balances will be shared with the Board. Board members will receive financial reports generated from the NASILC accounting software at each board meeting covering the current fiscal year through the most recently completed fiscal quarter.
- The Executive Committee will receive monthly financial statements generated from the NASILC accounting software.
- An **annual financial summary** will be made available to all members of NASILC during the annual meeting.

10. Audit

- The Board of Directors will be responsible for determining the need of an outside audit to be conducted if the organization's annual expenditures are under \$100,000.
- If the organization's expenditures exceed \$100,000 the board will have an audit completed at least once every two years, or annually at the authorization of the Board of Directors.

11. Recordkeeping and Retention

- Financial records shall be maintained in digital format and stored securely.
- Access to electronic records will be shared with members of the Executive Committee
- NASILC Treasurer will maintain a complete financial filing system that includes the necessary documentation.
- Records must be retained for a minimum of 7 years, including:
 - Bank statements
 - Budgets and reports
 - Receipts and invoices
 - Annual IRS filings, state filing, and other reporting.
 - Board meeting minutes including approval of budgets and revisions.

12. Grant Fund Reporting

- All grants received by NASILC will maintain tracking within the NASILC accounting system that shows how received funds were utilized.
- Grant-specific financial reporting will be made available to the Board of Directors as needed.

13. Misuse of NASILC Funds

- Any member of the Board of Directors that suspects the possibility of funds being misused or potential misconduct may report this to the NASILC Chair. If NASILC Chair is the potential subject of the complaint, it will be reported to the Vice Chair.
- Upon receiving notice from a Board Member of the potential misuse or misconduct, the Chair, or Vice Chair as appropriate, will investigate and review. The investigation and review will be conducted by at least two members of the Executive Committee with another member of the Board of Directors. A written report on findings, with resolutions, will be presented to the full Board of Directors at a special meeting upon completion of the investigation. Unless otherwise possible, the investigation will be completed within 30 days.

14. Inspection of Records

- Any member of the Board of Directors may request to review financial records of NASILC.
- Requests for review will be sent to the Treasurer and the Chair, with information on what records are being requested.
- Records will be made available within a reasonable amount of time, not to exceed 14 business days.

15. Review and Amendments

- This policy will be reviewed annually and may be amended by vote of the Board of Directors.

Approved by the Board on: [Insert Date]