



LAST AMENDED APRIL 2023

The purpose of this document is to capture the various fiscal responsibilities, requirements, and processes for Indiana TRIO Inc.

TABLE OF CONTENTS

Contents

I.	Financial Responsibilities	2
II.	Budgets	3
III.	Financial Reports	3
IV.	Receipt and Disbursement of Chapter Funds	4
V.	Contracts	5
VI.	Selection of Vendors	6
VII.	Travel: Reimbursement Requests	6
VIII.	Consultants	8
IX.	Institutional Membership	8
X.	Insurance	8
XI.	Chapter Debit/Credit Card Policy	9
XII.	Investment	10
XIII.	Revision of Fiscal Policy and Procedures	10

I. FINANCIAL RESPONSIBILITIES

All financial transactions of the Chapter shall be consistent with the Constitution and the approved Fiscal Policies and Procedures.

It is the recommendation of this Fiscal Policies and Procedures for the individuals serving as the Treasurer and President to be bonded at the expense of Indiana TRIO Inc. (referred to as the “Chapter” hereafter). The bond is a guarantee that the Chapter will receive restitution up to the amount of the bond, should funds be mishandled. As dual signatories on the account, the Treasurer and President are the only individuals to directly collect and deposit organizational funds.

After installation of the new President, all bank access should be modified to reflect the new President and Treasurer.

FINANCE COMMITTEE

The Finance Committee is responsible for monitoring all fiscal matters pertinent to the Chapter’s activities. The Treasurer and the President-Elect shall be members of this committee. The committee’s responsibilities shall include creation of an annual budget, quarterly review of that budget, and verification of all financial documents. This committee is responsible for filing and review of income tax, incorporation, and other government documents.

The Chapter Board and the Finance Committee shall be responsible for the adequate planning for the use of funds and for frequent reviews of the expenditure of funds. Chapter monies are to be spent in an efficient and effective manner consistent with the Constitution, the approved Fiscal Policies and Procedures and the requirements for maintaining the Chapter’s 501 (c) (3) status. The President and Treasurer shall exercise primary supervision over financial operations, working with the Finance Committee to assist in the performance of its designated functions.

To achieve these ends, the committee may follow the timeline below:

- **In preparation for the transition meeting** - prepare the annual budget;
- **Spring** - provide progress report of Chapter expenditures, conduct internal audit of previous year’s revenues and expenses, and file 990;
- **Summer** - provide progress report of expenditures, file Business Entity Report (on even years) and;
- **Fall** - prepare for budget conclusion and recommendations for the following year.

INSTRUCTIONS FOR 990-N AND BUSINESS ENTITY REPORT

The 990 form is due annually by May 15th. Login information is secure in a supplemental document.

- <https://www.irs.gov/charities-non-profits/annual-electronic-filing-requirement-for-small-exempt-organizations-form-990-n-e-postcard>

The Business Entity Report is due bi-annually, on the even years (2022, 2024, 2026 etc.), in September. Login information for the Indiana Secretary of State website (to file Business Entity Report and any business edits) is secure in a supplemental document.

- <https://www.in.gov/sos/>

II. BUDGETS

ANNUAL OPERATING BUDGET AND CHAPTER-SPONSORED CONFERENCE BUDGETS

The President, in collaboration with the Finance Committee, shall prepare an annual operating budget for the Chapter to be approved by the Board of Directors. The operating budget shall separate revenue and expenditures related to the activities of the Chapter into separate line items as is necessary to meet Chapter obligations and to comply with standard accounting practices. Revenue and Expenses are to be posted to the most relevant line. Expenses incurred by a committee/conference chair who has a line item in the budget will be applied to the related budget line to ensure balance reporting and accountability (For example, postage for mailing conference material is charged to the conference). The proposed budget expense summary and revenue summary must total the same balance. **The official budget year is a calendar year, January 1 through December 31.**

- **Committee Budgets:** The Finance Committee shall review Budgets for all committees sponsored by the Chapter before being presented to the Chapter Board for approval. Should a committee chair provide no recommendations, the Finance Committee shall set a budget in lieu of committee chair recommendations.
- **Conference Budgets:** The Finance Committee shall review the budgets for all conferences. This ensures that conference budgets can be appropriately incorporated into both the expense and revenue sides of the Chapter budget. Conference budgets do not need Chapter Board approval.
- **Modification to Annual Operating Budget:** Changes may include addition, deletion, definition, or inactivation of line items as well as changes in amount. The Chapter Board must approve changes to the budget if expenses will be higher than 125% of the line item approved amount.

III. FINANCIAL REPORTS

FINANCIAL REPORTS

Financial reports will be prepared for each Board meeting and distributed by the Finance Chair to the Chapter Board. A report comparing the amounts expended with the amounts budgeted shall be included. All financial records, including all *Request for Payment or Reimbursement Forms* for a given fiscal year shall be maintained by the Finance Chair for a period of three years. All federal tax returns (form 990) will be kept indefinitely. All such records are passed from one Finance Chair to the next.

Bank access will be given to those with signature status on Chapter accounts. In addition, bank access will also be provided to the President-Elect and Finance Committee Chair.

Inquiries Concerning Financial Reports: Board members, current prospective funding agencies, and other interested parties having questions concerning the Chapter's financial reports shall relay those questions to the Treasurer or President. They shall review the question and prepare a reply within 30 days of the inquiry date. A copy of the reply shall be filed with the Finance Committee. Inquiries from Chapter Members shall be referred to the Chapter President.

IV. RECEIPT and DISBURSEMENT of CHAPTER FUNDS

The receipt and disbursement of Chapter funds is the responsibility of the Treasurer.

BANKING

The banking procedures are entrusted to the Treasurer with review of the Finance Committee, the President, and the Chapter Board. The Finance Chair shall have view-only electronic access to all financial accounts (e.g. bank accounts). Chapter debit cards will be issued to the President and Treasurer from the primary Chapter bank institution. The debit card is for the sole purpose of conducting Chapter business.

CREDIT CARD

No agreement to open a Chapter credit card shall be entered without the specific approval of the Finance Committee and the Chapter Board. Any transaction fees should be communicated in advance to payees. Transaction fees are to be passed on to payees. Exceptions must be approved by the Treasurer and President.

PAYPAL

The Chapter will utilize a business PayPal account to conduct its primary business transactions. The Treasurer and Chapter President shall be entrusted to monitor, invoice, and withdraw from the PayPal account. The Chapter must maintain a registered charity status with PayPal. Any transaction fees should be communicated in advance to payees. Transaction fees are to be passed on to payees. Exceptions must be approved by the Treasurer and President.

RECEIPT OF FUNDS

The Treasurer shall deposit monies received by the Chapter in an account authorized by the Chapter Board.

- **Custody and safekeeping of collections** - If monies are required to be held by Board members, care shall be taken to protect these funds. Cash and checks received from on-site conference registrations or fund-raising should be kept in a safety deposit box and a detailed description of the amount and type of funds placed in the safety deposit box shall be kept in a secure location.
- **Bad Checks** - If a check accepted by the Chapter is not honored by the bank on which it is drawn, the Treasurer will use all reasonable diligence to collect the amount due and any associated charges from the person writing the check. Until the complete debt (check amount plus any assessed fees) is reconciled, participation in future Chapter events may be restricted.
- **Conference registrations** - The Treasurer shall receive the registration fees for each conference, seminar, workshop, etc. for deposit. The Treasurer shall keep a separate record of expenses and revenue for each event. The event chair will set policies for deadlines, confirmation, cancellations, and other adjustments in registration and work with the Treasurer to implement those policies as necessary.
- **Card Chip Terminal and Web Payment** – The Finance Committee has authorization to research and secure diverse payment methods, such as card chip terminals and web payments. The Chapter Board

must be presented with the maintenance and operation details of alternative payment methods.

DISBURSAL OF FUNDS

Two signatures are required on expense authorizations and any withdrawal of funds. One signature is the Treasurer's with the President's as the second signature. All disbursements, including reimbursements, shall include a *Request for Reimbursement and Payment Form*, and must include an invoice or other original documentation demonstrating the expense is to meet an on-going Chapter obligation.

- **Expenditure limitations for all account/expenditures in excess of budget** - At no time shall the President or the Treasurer approve the disbursement of funds against a particular line item to exceed 125% of the annual budgeted amount for the line item without prior approval of the Board. In no instance shall total expenditures exceed the annual operating budget without Board approval.
- **Approval of reimbursements** – A verifiable receipt must accompany the *Request for Reimbursement or Payment Form* before the funds can be approved and distributed. The line item to which the payment is to be charged shall be included in the *Request for Reimbursement or Payment Form* submitted within 45 days. Upon payment, the date of payment and check number shall also be affixed to the file copy. No reimbursement will be made to the Treasurer or President without prior approval of the Finance Committee Chair. All other payments are allowable when approved by the Treasurer and President.
- **Personal purchases** - The Chapter shall not purchase any goods or services for the personal use of employees or Chapter Board members. Discounts on personal purchases for Chapter Board members or staff cannot be sought from Chapter vendors.
- **Restricted accounts** - Disbursements from these accounts shall be in accordance with the terms and conditions of the donor or funding agency.

V. CONTRACTS

All contracts shall be subject to approval of and signed by the Chapter President. Any contracts up to \$1,000 can be signed independently by the President. Any amount over \$1,001 requires review between the President and Finance Committee. Any contract change that increases the Chapter's obligation by more than \$1,000 must be treated and approved as a new contract.

All contracts having a lifespan of one year or more must:

- Be maintained by the Treasurer and Finance Committee Chair during the entire life of the contract. Final bills associated with the contract are also maintained by both the Treasurer and the finance chair.
- Be reviewed by the incoming Board of Directors at the first meeting of a new term if the contract spans more than one administrative term.

VI. SELECTION OF VENDORS

SELECTION OF VENDORS

Vendors shall be selected for their capability to serve the needs of the Chapter in the most economical and efficient manner possible. Past performance and cooperation may be considered in the selection. Every effort shall be made to determine that only vendors in compliance with the Equal Opportunity Act (Executive Order 1246 as amended) are utilized. Vendors known to be out of compliance will not be used.

Minority Vendors: The Chapter shall purchase from firms or organizations operated or owned by minorities and/or women to the extent that this is feasible and economical.

Necessity of Bids: Competitive bids shall be secured when the purchase exceeds \$3,000 per vendor. Any contract or bid exceeding \$3,000 requires Finance Committee Chair approval. Absolutely no contract shall be obligated without the President's signature.

Sole Source: In instances where only one vendor can supply the goods or services sought in a timely fashion or of a quality required, sole source purchase shall be allowed and no solicitation, bids, or quotations shall be required. The President, conference chair, or Treasurer, shall provide written documentation as to the reasons a particular vendor is to be utilized.

VII. TRAVEL: REIMBURSEMENT REQUESTS

BASIC POLICY

The basic policy guiding travel expense reimbursement for the Board and others acting on behalf of the Chapter is that the individual traveler should neither gain nor lose personal funds as a result of travel assignments. Thus, each traveler is reimbursed for expenses incurred in connection with authorized travel on Chapter business consistent with these policies and with any specified policies governing the grant or contract to which it is charged. Any travel or travel accommodations that have unforeseen circumstances should be communicated with the President and Treasurer in real time in an effort to provide support and solutions.

TRAVEL AUTHORIZATION

- **President and President-Elect Travel:** All EOA related travel shall have significant and demonstrable business purpose as determined by the President and shall be within the budget approved for Presidential travel by the board. All President and President-Elect travel shall have documented receipts.
- **Other Travel:** All other travel shall have a significant and demonstrable business purpose and shall be approved by the President. All other travel shall have documented receipts.

Air and Commercial Land Travel: Domestic air and commercial land travel is reimbursed on the basis of the actual costs of transportation used by the traveler, but reimbursement shall not exceed the cost of coach airfare by the usually traveled route. Coach should be utilized on all occasions when it is possible to do so. When first class transportation is used for any reason, a statement of its necessity must be submitted with the required reimbursement request.

Automobile Travel:

- **Private** - When travel by private automobile is desirable to save time, to transport equipment, or to reduce the cost of a number of persons traveling together, reimbursement shall be at the current federal mileage rate and on the basis of standard highway mileage guides. **No reimbursement shall be made for the cost of the repair for mechanical failure of the vehicle whether costs result from the traveler's act or acts of others.** Ferry, bridge toll-road, and reasonable parking charges are allowed in addition to the mileage allowance.
- **Automobile rental** - The President may authorize the use of rental cars when such use results in savings of cost or time. Only the cost for gas and the rental will be reimbursed.

Other Transportation: Shuttle service to and from airports and railroad stations plus reasonable gratuities shall be reimbursed. Taxi or rideshare (Uber, Lyft, etc.) fares, including gratuities, shall be reimbursed where public transportation or shuttle service is not practical. This includes rides between hotels and railroad stations or airports, between appointments, and between hotels and temporary places of duty. A receipt is required for reimbursement of shuttle service, rideshare, and taxi trips.

Lodging: Authorized travelers should use standard accommodations. Regardless the traveler may be reimbursed for a standard room in the hotel at which the meeting is being held. An original receipt showing payment for the room is needed for reimbursement.

Food: Authorized travelers and Executive Board members shall receive a \$75 daily per diem. If meals are provided on travel, the per diem associated with the meal(s) should be withdrawn from the daily per diem value. Exceptions for dietary restrictions or other reasonable accommodations will be considered.

Miscellaneous Expenses: Other expenses associated with normal travel which, when presented with receipts and supporting documentation, shall be reimbursed, include the following:

- Phone, FAX, and internet charges necessary for conducting the business of the Chapter.
- Expenses associated with baggage handling and storage charges.
- Travel expenses NOT normally reimbursable include the following:
 - Costs incurred by failure to cancel transportation or hotel reservations
 - Fines for automobile violations or personal misconduct
 - Lost or stolen tickets, cash, or property
 - Travel accident insurance premiums
 - Laundry and valet expenses
 - Gifts or gratuities given to a host or hostess when private lodging is used.

TRAVEL ADVANCES

Cash advances in amounts anticipated to cover expenses are available upon request if submitted in a timely manner. To request a travel advance, a travel advance form must be completed by the requestor and signed by the persons authorizing the travel. Cash advance requests require the approval of the President and the

Treasurer. Travel advances will be reconciled with receipts to the Treasurer within thirty (30) days of the conclusion of travel. Cash advances not reconciled within thirty (30) days will be referred to the Finance Committee for review. In the event the requester has received a cash advance but is unable to fulfill travel, he/she will be required to reimburse back to the chapter the total amount of the cash advance.

Requests for Reimbursement: All requests for reimbursement shall be submitted on a *Request for Reimbursement and Payment Form* accompanied by original receipts.

VIII. CONSULTANTS

DEFINITION OF CONSULTANT

A consultant is an individual who is engaged personally to give professional advice or services for a fee, but not as an employee of the Chapter. The term includes professional consultants such as accountants, attorneys, paid guest lecturers and other paid guest speakers. Members of the Chapter shall not serve as paid consultants to the Chapter.

Consultant Payments to Federal Employees: Consulting fees paid to a Federal employee shall not be charged to a federal grant or contract or non-Federal share required by such grant contract.

Approval Requirements: Contracts for all consulting services shall be created, signed by the President, and approved by the Board. The agreement shall include the consultant's name and signature, tax ID number, date and description of service, the agreed upon fee, the expected service including final report if appropriate, and payment plans.

Consultant Reports: Whether it is a formal report from a consultant addressing a specific issue or a descriptive report from a conference chair, some statement regarding the consultant work should be filed with the request for payment.

IX. INSTITUTIONAL MEMBERSHIP

Institutional memberships are those held by the Chapter in professional, technical, or related organizations. The Chapter shall not become a member of any organization except with the specific approval of the Board. Memberships shall be held by the Chapter or an organizational sub-unit, and not by an individual, unless the organization prohibits group membership, or when such a membership offers the Chapter other benefits, such as a reduced fee for membership. Memberships are limited to those organizations which are deemed beneficial to the Chapter.

X. INSURANCE

The Indiana TRIO Inc. The President shall review a program of insurance on an annual basis and shall suggest needed changes and modifications to the Board of Directors. Prior to action by the Chapter Board, this program shall be reviewed by the Finance Committee. The program of insurance might include general

liability coverage for the Board of Directors and Chapter events; automobile liability coverage; or fire, casualty and theft insurance of Chapter property and records. The program of insurance will include the bonding for the Treasurer and President.

XI. CHAPTER DEBIT/CREDIT CARD POLICY

The intent of this section is to provide clear, concise, and workable chapter debit/credit card procedures for the conduct of chapter business. Use of the debit/credit card does not replace any policies or procedures that apply to activities that are restricted by this manual. If a circumstance arises that is not specifically covered, either adopt the most conservative course consistent with the policies and procedures of the Chapter or consult with the Treasurer and President.

The chapter debit/credit card is designed to allow for conducting Chapter business.

The debit/credit card is the property of the chapter, is issued on the chapter's debit/credit limit, and is only to be used for chapter business. Violation of debit/credit card procedures, such as unauthorized purchases, will cause the chapter to seek restitution from the cardholder.

ELIGIBILITY

The eligible cardholders for the chapter debit/credit card shall be the chapter President and Treasurer. Additional users may be added only with approval of both the President and Treasurer.

GUIDELINES FOR DEBIT/CREDIT CARD USAGE

The debit/credit card may be used in person, by phone, fax, or for online purchases. The cardholder should use caution in giving out the debit/credit card number, as many scams are conducted by phone, mail, or Internet. If using the Internet, only a secured site should be used. As a general guideline, an order should never be placed when the company initiates the contact, such as telephone or Internet solicitation.

It is the cardholder's responsibility to keep the purchasing card safe and secure, to obtain and retain appropriate documentation for purchases, and to review card transactions regularly. All transactions are available for viewing daily on the bank's website.

Allowable use includes, but is not limited to the purchase of supplies and equipment related to conference hosting activities, refreshments for board meetings, conference fees, pre-approved board member travel, and professional organization dues. **The card is NOT TO BE USED for the following:** cash advances, ATM transactions, and non-Chapter or personal expenses. Users unsure of a purchase should consult with the President and Treasurer before making the purchase.

Returned Purchases: If a purchase using the debit/credit card is returned, the purchaser should always request returned items to be credited to the debit/credit card. If the vendor refuses to credit the card, the regional cardholder should contact the Treasurer, for proper management of cash or merchandise credit.

Sales Tax: Whenever possible, use of the chapter debit/credit card should be paired with the chapter's Indiana sales tax exemption. Failure to seek a sales tax exemption when applicable could lead to taxes being billed back to the user, including withholding other requests for reimbursement.

Lost or Stolen Cards: Report all lost or stolen card information immediately to the financial institution at the number listed on the bank's website.

DOCUMENTING PURCHASES

Cardholders have the authority to directly purchase specific goods and services on behalf of the Chapter. It is the responsibility of the cardholder to obtain all necessary purchasing card transaction paperwork (receipts, confirmations, etc.) to substantiate the expenditures from the above mentioned travel. The documentation must support the description, price, and quantity of the item(s) ordered. Further, it must attest to the receipt of the good(s) and its propriety for Chapter business purposes, or in the case of a Federal grant or contract, the specific benefit to the grant or contract (e.g., allocability).

Some vendors may not provide itemized detail (descriptions, quantities, unit prices) on their sales receipts. In such cases the cardholder must provide sufficient documentation of this detail. Again, this itemized documentation should include descriptions, quantities, unit prices, and business purpose.

Examples of appropriate verification documents include, but are not limited to:

1. Detailed sales receipts;
2. Confirming order forms or applications;
3. Service reports when service is provided by a vendor; and/or
4. Detailed packing slips.

XII. INVESTMENT POLICY

INVESTMENT OF FUNDS

All Chapter investments must align with the Indiana TRIO Inc. Investment Policy Statement. All requests for investing Chapter funds must be brought to and approved by the Board of Directors. The process for investing Chapter funds is as follows:

- Recommendation(s) for investing Chapter funds will be presented to the Board by the Treasurer, Finance Committee Chair, or both.
- The recommendation (to the Board) for investing Chapter funds will include:
 - an investment strategy/rationale including intended use of (potential) gains;
 - a recommended amount to be invested;
 - name of the investment company;

- an expected investment outcome;
 - account from which funds will be taken for the investment; and
 - duration/length of the investment.
- Once investment information has been presented to the Board, the Board will vote to approve, disapprove, table, or make recommendations in order to approve the recommendation for investment(s) made by the Treasurer or Finance Committee Chair. A 2/3 majority of ALL Board members must approve any investment proposal.
- The Treasurer will act as the Shareholder Representative on the investment accounts.
- The Finance Committee shall meet with the financial advisor annually to discuss the investment strategy of the Chapter. The Treasurer will share quarterly investment reports with the finance committee and Board of Directors.
- The financial advisor should provide a report annually at the General Assembly or Board of Directors Meeting, whichever is reasonable in a specific board year.

XIII. REVISION of FISCAL POLICY and PROCEDURES

The Fiscal Policy and Procedures Manual will be reviewed and updated periodically by the Finance Committee which will bring recommendations for revision to the Board for approval.

Adopted May 13, 2010

Amended December 13, 2013

Amended April 26, 2014

Amended 2015

Amended 2016

Amended November 8, 2018

Amended April 25, 2023