



The organization shall be referred to as the American Camp Association, Indiana (Hereafter referred to as the "ACA Indiana") and is chartered by the American Camp Association. *ACA Indiana* is organized and operated exclusively for charitable purposes and its activities shall be conducted in such a manner that no part of its net earnings shall inure benefit of any member, director or officer, or other private person, except that the Indiana Section shall be authorized and empowered to pay reasonable compensation for services rendered.

Notwithstanding any other provisions of the American Camp Association Bylaws or the *ACA Indiana* Bylaws, no member, delegate, director, officer, employee, or representative of the Section shall take any action or carry on any activity by or on behalf of the corporation not permitted to be taken or carried on by an organization exempt from federal income tax under Section 501 (c) (3) of the Internal Revenue Code of 1986 as amended and its regulations as they now exist or as they may be hereafter amended.

*ACA Indiana* shall be managed in a manner consistent with sound fiscal standards. *ACA Indiana* shall maintain written policies and procedures regarding its fiscal activities, including but not limited to payroll, purchasing, cash management, relevant fee schedules, contract and risk management.

The *ACA Indiana* Board of Directors must annually approve a budget. If the approved budget indicates deficits, this should be documented in the minutes of a Board of Directors meeting. The *ACA Indiana* Board of Directors is expected to fulfill its fiduciary responsibility.

**FEDERAL EMPLOYER TAX ID #**

XX-XXXXXXX

GEN: XXXX

### **FINANCE COMMITTEE**

The Section will maintain a Finance Committee. The Finance Committee shall oversee all financial issues for the Section, provide guidance to the Board and Treasurer, set investment policy based on the needs of ACA IN, implement and monitor the investment policy, and monitor investment results. The Committee shall operate under the policies established under the ACA IN Finance Committee Operating Procedures.

The Committee will be chaired by the Section's Treasurer. The Section President Elect shall be an ex-officio member of the Committee. All members of the Finance Committee shall acknowledge in writing their responsibilities upon accepting membership to this committee.

The Finance Committee shall establish an Investment Policy Statement (IPS). This document shall guide the Committee in its oversight of the investments of the Section. The IPS shall be reviewed at least annually and shall be updated as required by the needs of ACA IN. The Finance Committee shall monitor the investment portfolio no less than quarterly. The Fund will be operated in accordance with all state and federal laws. The Investment Policy Statement is attached as Attachment F.

### **OPERATING PROCEDURES**

The American Camp Association IN Finance Committee (Committee) shall be the investment fiduciary responsible for the prudent management of the Investment Portfolio (Portfolio). The Committee will comply with all applicable fiduciary, prudence, and due diligence requirements experienced investment professionals would utilize, and with all applicable laws, rules and regulations from various local, state, federal and international political entities that may impact the Portfolio. The Committee shall interpret the Investment Policy Statement for the Portfolio and make recommendations to the ACA IN Treasurer. The Committee shall be responsible for the selection of professional advisors to the Portfolio, which may include, but are not limited to, investment managers, investment consultants, custodians, attorneys, accountants and clerical staff; the Board is responsible for their retention.

#### *Definition of Fiduciary*

A fiduciary is defined as a person who has the legal and/or implied moral responsibility to manage the assets of another person or organization. A fiduciary must act solely in the best interests of that person or organization. The Committee is subject to certain duties and responsibilities, including, but not limited to:

1. Know the standards, laws and trust provisions that impact the investment process of the Portfolio
2. Prudently diversify the Portfolio to a specific risk/return profile
3. Prepare, execute, and maintain an investment policy statement
4. Have investment decisions made by prudent experts
5. Control and account for all investment-related expenses
6. Monitor the activities of all investment-related service vendors
7. Avoid conflicts of interest and prohibited transactions

#### *Establishment of Committee*

The Treasurer of the American Camp Association IN is an elected position, as per the By-Laws of ACA IN, and as per same By-Laws, shall serve as chairperson of the Finance Committee.

The Committee shall consist of such number of individuals as are appointed by the Treasurer. Any member of the Committee may resign, and his or her successor, if any, shall be appointed by the Treasurer. Only the ACA IN Board has the authority to approve any contract or endeavor.

#### *Disclosure of Conflict of Interest*

Notwithstanding any provision of law, no Committee member shall vote or participate in a determination of any matter in which the Committee member shall receive a special private gain. Committee members have a duty of loyalty that precludes them from being influenced by motives other than the accomplishment of the purposes of the Portfolio. Committee members, in the performance of their duties, must conform and act pursuant to the documents and instruments establishing and governing the Portfolio.

**MANAGEMENT**

**Role of the Treasurer-** The treasurer will receive account statements on a monthly basis and balance each against the books held in the section office in a timely manner. Reports to the board on the financial health of the organization are the responsibility of the treasurer, with the assistance of the executive director. Budget development is the responsibility of the staff with oversight by the Treasurer. Discrepancies between the books and account statements will be addressed with the staff, and the bank if necessary. It is the responsibility of the treasurer to report unresolved discrepancies to the president and executive committee.

**Role of the Staff** (Board, volunteers, Executive)- The staff will submit the financial files to the treasurer in a timely manner each month to be reconciled with the account statements. Staff will receive invoices and reimbursements at the office and pay them accordingly in a timely fashion. Staff will also receive monies and deposit them promptly. The executive director will work closely with the treasurer to prepare annual/quarterly reports and budgets.

**ALLOWABLE/UNALLOWABLE COSTS**

Costs associated with ACA Indiana programs and services must follow the rules and regulations of the related federal, state or local agency or organizations. All expenses that can be identified to a specific funded program shall be charged directly to that program. Expenses not directly identifiable to a funded program shall be allocated to all applicable benefiting programs, both funded and general ACA Indiana programs and services.

**UNALLOWED EXPENSES**

- 1) Expenses related to entertainment of any persons;
- 2) Individual *ACA Indiana* staff association dues are not reimbursable except for the following situations:
  - I. Dues for group purchasing relationships for the exclusive purpose of cost saving on purchases.
  - II. Dues for membership that provide *ACA Indiana* staff with professional training and resources necessary to provide services funded.
- 3) Costs of attending ACA professional meetings and conferences are not allowable except for the portion of costs related to activities to enhancing or improving services of the section. Costs for staff attendance at in-service training seminars and workshops can be reimbursed.
- 4) Bad debts;
- 5) Charity and grants (The cost of employee educational assistance can be reimbursed);
- 6) The following types of interest expenses:
  - I. Interest on funds borrowed for investment purpose;
  - II. Interest on funds borrowed to create more than two months of working capital;
  - III. Interest on funds borrowed for the personal benefit of any person;
  - IV. Interest in excess of the current market rate paid to individuals or organizations in less than "arm's length" transactions;
  - V. Interest charges on intra-agency fund loans e.g., interest recorded in the capital fund on cash loaned to the operating fund;
  - VI. Interest expense to the extent that interest income was realized by investment of excess operating funds
- 7) In-kind contributions;
- 8) Alcoholic beverages;
- 9) The portion of the cost of automobiles furnished by the organization related to personal use by employees including transportation to and from work as a fringe benefit or indirect cost;
- 10) Costs of fines, penalties, legal services, resulting from or in relation to the failure of the provider to comply with federal, state, and local laws and regulations.
- 11) Goods or services for personal use or purchased at less than an "arms length" transaction for an amount greater than the fair market value;
- 12) The cost associated with lobbying any elected official of local, state or federal government.
- 13) Relocation cost of provider employees, **except** in the following situations:
  - a) The move is for the benefit of the employer;
  - b) Reimbursement to the employee is in accordance with an established written policy consistently followed by the employer; and
  - c) The reimbursement does not exceed the employee's actual (or reasonably estimated) expenses.
- 14) Gratuities.
- 15) Political contributions.
- 16) Related party transactions **except** for the following situations:
  - I. When the goods and services purchased are consistent with fair market value; and
  - II. There is evidence of approval in the minutes of the ACA Indiana Board of Directors.
  - III. Costs associated with goods or services paid in a "conflict of interest" situation.

**GENERAL GUIDELINES**

- A system of internal accounting control shall be maintained that is designed to provide reasonable assurance that assets are safeguarded, the transactions are executed in accordance with management's (and/or donor's) authorization and properly recorded, and that the accounting records are adequate for preparation of financial statements and other financial information. *ACA Indiana* shall establish and maintain an accounting system in accordance with generally accepted accounting principles (GAAP).
- The following persons will be signatories to all section accounts: Treasurer, President, Executive, Vice President. Signature requirements will be reviewed annually by the Finance Committee. A board resolution identifying authorized signers, by position, for all accounts must be passed by the board of directors each year. All authorized persons must be bonded for handling cash and checks.
- *ACA Indiana* will use accounting software for the maintenance of section financial records. The software will provide account balances plus a listing of all income and expenditures, and will be maintained minimum on a monthly basis.
- A simple account structure will be used for section record keeping. Detail beyond the simple account chart will be provided upon reasonable notice/request to treasurer. (*Attachment C*)
- *ACA Indiana* is permitted to establish and maintain reserve funds that follow the Investment Policies.
- Income will be delivered to the *ACA Indiana* office for processing. Deposits will be prepared with account number and logged. Photocopies of each check received will be attached. Other arrangements may be made, depending upon the needs of a conference/event, etc.
- Requests for reimbursement and/or payment to a section provider will generally come to the *ACA Indiana* office by e-mail, fax, telephone or regular mail for processing. The section office will confirm Expense Report and submit to staff for payment.
- Remittance and deposits will be within 5-7 business days of the receipt of a voucher/invoice/check request/deposit. An invoice, statement or written documentation must accompany the *ACA Indiana* copy of all checks.
- The treasurer or president will sign checks or authorize in advance expenses in writing for any amount more than \$750. Any expenditure over \$750 must be reviewed by the Finance Committee and be approved by the Executive Committee. Review and approval may be done via e-mail or phone.
- Checks up to \$750.00 require only one signature. Checks between \$750.01 and \$2000.00 require one signature with faxed approval of an officer. Checks over \$2000.00 require two officer signatures.
- Any expenditure which is more than 10% of the approved Operating Budget must be reviewed by the Finance Committee and be approved by the full Board. Any expenditure of Capital funds up to \$5,000.00 must be reviewed by the Finance Committee and approved by the Executive Committee or full Board.
- Bank statements will be mailed directly to the treasurer for reconciliation against the books on a monthly basis. While the address on the account will be that of the treasurer, the address on the checks will be that of the office.
- Transfer of funds from reserve accounts to operating accounts requires full board approval.

## ACA IN Fiscal Policies 2009.DOC

- The ACA Indiana board of directors must approve the addition of any authorized cardholder. Any and all cards must be surrendered and the card company notified if the person whose name is listed on the card is no longer authorized to use the card.
- Mileage will be reimbursed at the most current mileage rate published by the Internal Revenue Service. **Standards Visits** will be reimbursed at the rate established annually by the board. Mileage that is not for normal business activities (board meetings, standards visits, etc) is to be pre-approved using Purchase Order Form (March 2003 minutes). Mileage is not reimbursed for meetings held during or around the time of the annual conference, provided the individual is attending the conference.
- Any member of ACA may be reimbursed for expenses when on **specific/pre-approved** ACA business, with prior approval needed for special circumstances. The executive director and treasurer reserve the right to decline reimbursement. Appeals may be sent to the executive committee through the section president. Members traveling on ACA business are encouraged to be prudent in expenses and use good judgment.
- Voided or returned checks will be destroyed/shredded for security and privacy purposes.
- Invoices will be serially pre-numbered and be dated for payment net 30 days. After 30 days, 2<sup>nd</sup> notice will be sent with notification of \$5 service charge for each additional month payment is late.
- Acknowledgement of in-kind donations and sponsorships will be prepared per current legal recommendations.

**REIMBURSEMENT/PAYMENT**

1. All requests will include an "Expense Report" completed with all details within 3 months of expense date. Original receipts must accompany all expenses. In the case when a receipt is lost, exceptions may be made, but only for expenses under \$15. (Photocopies will not be accepted.)
2. Supporting information for the voucher (receipts, explanations, etc.) will be mailed in follow up of a request for reimbursement by e-mail or telephone.
3. The Executive checks the bill and authorizes payment by coding it with the appropriate account number and delivers it to the staff for payment.
4. The staff prepares a check, codes the check, enters the check in the accounting software, prints the check and facilitates delivery. The staff also signs and dates the request for payment.
5. Online payment is authorized for payment of invoices when accompanied by printed invoice and authorization code.
6. Expenses over \$200 must be submitted to the treasurer for pre-approval (Purchase Order Form) or board approval. This will ensure that supply purchases are not duplicated and that established accounts are used when possible. All purchases must be within the appropriate budget allocation and funds from another budget line cannot be utilized without written approval of the Treasurer and at the Treasurer's discretion the board of directors.
7. When possible, supplies and other purchases will be made using the section debit or credit card to provide tracking documentation.
8. Reimbursement for expenses by a member of the Finance Committee must be approved by another officer. The president or treasurer must approve expense vouchers that are submitted by the executive director before reimbursement is made.
9. Reasonable and customary delegate expenses for regional and national meetings will be reimbursed as agreed annually by the Board.
10. The signing of blank checks or checks payable to cash or bearer is prohibited.

**DEPOSITS**

1. All checks must be endorsed "deposit only" immediately.
2. A receipt must be completed for each check or group of checks for a section program or event. Multiple checks on the same receipts must be documented on the receipt with all inclusive check numbers.
3. The staff prepares a bank deposit form. Another authorized signature may prepare the deposit form if the staff is absent. Deposit slips should either be in duplicate or photocopied with the checks for deposit.
4. The deposit form and checks/cash for deposit are submitted for deposit and entered into the accounting program.
5. An endorsed copy of the deposit form and a bank receipt obtained for audit purposes.

**BUDGET**

- The Board will approve by majority vote prior to the beginning of the fiscal year an Annual Operating budget.
- The Executive Committee and treasurer are responsible for identifying potential operating deficits and developing alternative solutions to avoid or recover such deficits.
- The section will maintain one checking account for deposit and disbursement of all funds, except restricted funds.
- A reserve of no less than 6 months of operating capital will be maintained.
- Funds for any funded program shall be accounted for on an individual basis. Funds of an individual program may not be converted for use by *ACA Indiana*. The use of these funds is restricted to the direct needs and support of the individual programs.
- The Executive Committee determines any cost of living increment or other salary increment annually with assistance of the Executive Director. Salary increments are initiated at the beginning of the fiscal year. Salary details are not reported to the board of directors, rather they are included in the salary totals in the budget that is approved by the board of directors. Members of the board of directors may request salary detail information for any staff member.

**BUDGET AMENDMENT**

The Budget Amendment Process is implemented when more than 10% of the total revenue budget is affected.

- The Changes in the budget are identified by account name. The amendment/s must be presented to the board in writing. The amendment request must include the account, rationale, fiscal impact and other pertinent facts requiring action by the board.
- The Finance Committee must review the request and present recommendation/s to the board at the next regular meeting of the board.
- If the matter requires immediate action, the executive committee will review the request and may call an emergency board meeting or poll the board by telephone or-email.
- The budget will be amended as approved by the board.

**Response to Unexpected Reductions in Resources:**

- Stop all spending except essential services and supplies immediately.
- Call an emergency meeting of the Executive and Finance Committees and all staff with budget responsibilities to assess the situation.
- Identify and target specific cost reduction options.
- Set priorities for all cost cutting recommendations based on the circumstances.
- Call a Special Meeting of the Board to address the issue/s. The Finance Committee will present a written report with specific recommendations that address the problem/s.
- Notify all members of the board by telephone or e-mail and letter explaining the situation.
- Implement the Budget Amendment process.

## **REPORTING**

### ***IRS Reporting***

In compliance with Federal reporting requirements for 501(c)3 organizations, the Indiana Section Treasurer will file a Form 990EZ or 990 with appropriate attachments by scheduled filing deadlines of each calendar year.

### ***Board of Directors***

At the end of each calendar year quarter, a status report/statement-to-date will be e-mailed to all Section Board Members. A printed copy will be maintained in the Section Office records for purposes of audit/review.

### ***Annual Report***

By Jan. 15 (or other date specified by ACA), the Treasurer in consultation with the Section Executive will have an annual statement prepared for the year just ended, and will have all supporting documentation ready for audit/review and Annual Report.

### ***Reporting Requests***

The Treasurer will respond in a timely manner to any request for financial report from appropriate persons/agencies (Section Board, ACA/National, etc.)

## **AUDIT**

Prior to the end of the year, the Section Board will appoint a person or persons as appropriate and necessary to meet ACA charter requirements to conduct a review/audit of the financial records. Person(s) conducting the review/audit will contact the Treasurer and arrange for a time to review the records. A letter will be provided to the section board regarding their findings.

## **RECORDS STORAGE**

Records will be sealed following review/audit, and stored at the section office or secure storage facility.

## **GIFTS**

- Gifts to the ACA Indiana Section may be accepted if approved by the Finance Committee. Stock and other such gifts are liquidated upon receipt.
- Undesignated gifts in excess of \$1,000.00 should be referred to the Finance and Development Committees, which shall make the decision as to the manner in which the gift should be used.
- Any restricted/designated gifts shall be accepted by the Organization, with the restriction/designation, unless the designation runs counter to the purpose or standards of the organization, in which case the gift shall be referred to the Executive Committee for study.



**ATTACHMENT B**

**QUARTERLY REPORT – SAMPLE**

				<b>THREE MONTHS</b>		
				Quarter	YTD	
INCOME		APR	MAY	JUN	TOTAL	TOTAL
	CRC FEES	0.00	0.00	0.00	0.00	0.00
	SERVICE FEES	0.00	0.00	0.00	0.00	0.00
	MEMBER DUES	0.00	0.00	0.00	0.00	0.00
	TOTAL	0.00	0.00	0.00	0.00	0.00
EXPENSES						
	SALARIES	0.00	0.00	0.00	0.00	0.00 70
	FICA/MEDICARE TAX	0.00	0.00	0.00	0.00	0.00
	STATE	0.00	0.00	0.00	0.00	0.00
	UNEMPLOYMENT					
	WORKERS	0.00	0.00	0.00	0.00	0.00
	COMPENSATION					
	LIFE INS	0.00	0.00	0.00	0.00	0.00
	RETIREMENT	0.00	0.00	0.00	0.00	0.00
	EXPENSE					
	TRAVEL INSURANCE	0.00	0.00	0.00	0.00	0.00
	MEDICAL	0.00	0.00	0.00	0.00	0.00
	TOTAL	0.00	0.00	0.00	0.00	0.00
INCOME(LOSS)					0.00	0.00
BEGINNING BALANCE IN ACCOUNT 1/01/02						
DISTRIBUTIONS FROM SECTION					0.00	0.00
DISTRIBUTIONS TO SECTION					(0.00)	(0.00)
THREE MONTH CHANGE IN ACCOUNT					0.00	
<b>ENDING BALANCE</b>						0.00

**ATTACHMENT C**  
**Chart of Accounts**

**ATTACHMENT D**



March 22, 2007

**Subject: Appointment to Finance Committee**

Dear Finance Committee Member:

You are hereby appointed to serve as a member of ACA IN Finance Committee. As such, you will be serving as a fiduciary with specific duties and responsibilities. I have attached the Financial Policy, which includes the Finance Committee Operating Procedures. These documents outline your duties and responsibilities. You are to become familiar with the contents and inform me of any questions and/or concerns you may have regarding your function.

You may be wondering what it takes to be a successful member of the Finance Committee.

It does not require extensive experience in securities analysis or portfolio management, but it does require a personal interest in understanding the basics of capital markets.

It requires a sincere commitment and the courage to develop a consensus formulation of goals and objectives with your fellow Committee members; the discipline to develop long-term investment policies; the patience to evaluate events calmly in the context of long-term trends; and an understanding of personal and organizational strengths and weaknesses to determine when delegation and outsourcing is more appropriate.

Most important, it requires the ability to get the right things done, otherwise known as effective management. A prudent investment process facilitates effective management by distinguishing important from unimportant tasks.

Please acknowledge receipt of this letter and your understanding of your fiduciary duties and responsibilities by signing and returning a copy of this letter to me.

Sincerely,

Treasurer, ACA IN

**Enclosure: *ACA IN Financial Protocol***

ATTACHMENT E

american *CAMP* association™  
*Indiana*

Date: \_\_\_\_\_

To: \_\_\_\_\_, Treasurer, ACA IN

From: \_\_\_\_\_

**Subject: Appointment to ACA IN Finance Committee**

I hereby accept my appointment to serve as a member of the Finance Committee for American Camp Association, IN. I understand the fiduciary duties and responsibilities associated with my appointment.

Sincerely,

\_\_\_\_\_  
Finance Committee Member

ATTACHMENT F

**INVESTMENT POLICY GUIDELINES:**

- Pursuant to the direction of the board, and upon the creation of an Investment Fund, the primary goal of such fund will be to provide a predictable stream of income to support the operating activities of the Indiana Section.
- The investment portfolio will be supervised by the Finance Committee in accordance with all State and Federal laws governing such funds.
- A reserve of no less than 6 months of operation capital will be maintained at all times.
- ACA Indiana will maintain their financial assets:
  - 1/3 Checking
  - 2/3 Investment
- The asset allocation for the Fund is set as follows. Asset allocation may be changed annually with board approval.
  - 25% short term, liquid for unexpected events (6 month)
  - 50% mid term, for extended emergency (12-24 month)
  - 25% long term, for increased income (24-48 month)
- The Finance Committee shall maintain a portfolio to insure that the Fund's principal base grows at least with the rate of inflation. To attain that goal, the income taken from the Fund should be no greater than 5% of the total Fund value in any one year.
- There shall be no investments in non-marketable securities, Limited Partnerships or other closely held business interest, without the approval of the Finance Committee.
- A \$5,000.00 reserve fund shall be maintained to provide liquidity for unexpected events, assure continuing operating capital, and to protect against short-term negative market activities. Money markets and short-term bond funds with a maturity of no greater than 90 days will be used to maintain this reserve fund.
- The performance of the portfolio will be reviewed and evaluated by the board on an on-going basis. The performance objectives of the Fund will be judged over a 5-year rolling period. This allows for inclusion of multiple market cycles in order to judge the performance over a variety of market conditions.
- The section treasurer will review monthly investment statements for accuracy and report results at regularly scheduled board meetings.
- Exceptions to the above constraints are permitted only with prior Board approval.