



ARTICLE IV | BUSINESS AND SUPPORT SERVICES

SERIES 4000

This series is created by the Illinois ASBO Board to delineate the policies and procedures regarding management of the Association's financial affairs - including appropriate record keeping measures, revenue production, investments, budgeting, disbursement of funds, and other related matters.

In addition, support services functions of the organization also appear in a latter part of the series.

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* No adopted policy at present writing.

ARTICLE IV – BUSINESS AND SUPPORT SERVICES

4000

GOALS AND OBJECTIVES FOR BUSINESS/SUPPORT SERVICES

Policy adopted: 03/18/2004

Policy reviewed: 01/30/2014

Policy amended: XX/XX/XXXX

Policy renumbered: XX/XX/XXXX

It is the goal of the Board of Directors of Illinois ASBO to use exemplary business practices in all of its operations. In exercising the fiduciary responsibilities of the Board, it will endeavor to provide the resources to meet the needs of the present and create a secure fiscal foundation that guarantees the existence of the Association in a wide range of future scenarios. The Board will create the fiscal records and reports necessary to evaluate, plan and drive decision-making and will provide vehicles for reporting to the members on the financial operations of the Association.

BUDGET/BUDGETING SYSTEMS

Policy adopted: 03/18/2004
Policy reviewed: 01/30/2014

Policy amended: XX/XX/XXXX
Policy renumbered: XX/XX/XXXX

An annual budget shall be adopted by the Board of Directors, which clearly sets forth a revenue plan that is realistic and adequate to meet the mission, goals and objectives/activities of the Association.

The Executive Director, serving in the capacity of Chief Financial Officer (CFO), shall be the chief budget officer and shall work in concert with the current Treasurer and Treasurer-Elect in preparing the budget. The Operations/HR/Finance Board Committee shall function in a review role, helping to define budget assumptions and serve as a sounding board for budgeting issues.

The budget shall realistically set forth all revenues and expenditures expected. When the prior year ends with a positive balance, this balance shall not be added to next year's resources but shall be transferred to the Operating Trust Fund or, if needed for cash flow purposes, left in the checking account of the Association. When year end balances are negative, these balances may be transferred from the Operating Trust Fund.

The adopted budget must be balanced by showing anticipated transfers to and from the Operating Trust Fund.

ARTICLE IV – BUSINESS AND SUPPORT SERVICES

4111

BUDGET/BUDGETING SYSTEMS | PLANNING | FISCAL YEAR

Policy adopted: 09/16/1981

Policy reviewed: 01/30/2014

Policy amended: 11/17/1994

Policy renumbered: XX/XX/XXXX

The fiscal year of the Association shall begin on the first day of July and end on the last day of June in each year.

Reference: Illinois ASBO Bylaws
Article I, Section 4

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4112

BUDGET/BUDGETING SYSTEMS | PLANNING | BUDGET CALENDAR

Policy adopted: 02/11/1992
Policy reviewed: 01/30/2014

Policy amended: 04/02/2014
Policy renumbered: XX/XX/XXXX

Under normal circumstances, the following steps and deadlines will be adhered to in developing and adopting the budget.

BOARD MEETING

January	The Operations/HR/Finance Board Committee will review status of current budget and review relevant critical historical revenue data.
March	The Operations/HR/Finance Board Committee will receive a report on projected personnel needs and salary increase recommendations. A first draft of revenue needs/projections will be reviewed by the Operations/HR/Finance Board Committee and presented to the Board for first review.
April	First draft of full budget presented to the Board with recommendations for any membership dues changes, annual conference registration fees and exhibit booth increases.
May	Second review of full budget recommendation and adoption.
June	Additional review and adoption (if needed).

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BUDGET/BUDGETING SYSTEMS | PREPARATION OF BUDGET DOCUMENT

Policy adopted: 03/18/2004
Policy reviewed: 01/30/2014

Policy amended: XX/XX/XXXX
Policy renumbered: XX/XX/XXXX

The budget shall be prepared in a format, consistent with the current chart of accounts.

The Executive Director shall organize, draft and submit the budget to the Treasurer and, when known, the Treasurer-Elect, along with an executive summary highlighting major changes, statement of basic assumptions and analysis.

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4130

BUDGET/BUDGETING SYSTEMS | REVIEW AND ADOPTION OF BUDGET

Policy adopted: 03/18/2004
Policy reviewed: 01/30/2014

Policy amended: 04/02/2014
Policy renumbered: XX/XX/XXXX

There shall be a minimum of two reviews of draft budgets before a final budget is adopted.

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4140

BUDGET/BUDGETING SYSTEMS | BUDGET ADMINISTRATION

Policy adopted: 03/18/2004
Policy reviewed: 01/30/2014

Policy amended: 04/02/2014
Policy renumbered: XX/XX/XXXX

The administration of the adopted budget shall be the responsibility of the Executive Director. The Treasurer shall periodically review with the Executive Director the execution of the budget. Monthly financial statements and reports shall be submitted to the Board of Directors.

These reports shall include:

1. Balance Sheet
2. Financial Report including actual and budgeted revenues/expenses by major category (monthly and year to date), year to date cash flow and Operating Trust Fund transfers.
3. Building Operating Trust Fund Revenue Report
4. Foundation Report

In addition to the reports above, the Treasurer shall receive:

5. Detailed Budget Comparison Report

All financial reports received by the Board of Directors shall be approved by the Board at its next regular meeting.

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4141

BUDGET/BUDGETING SYSTEMS | BUDGET ADMINISTRATION | TRANSFER OF FUNDS

Policy adopted: 03/18/2004
Policy reviewed: 01/30/2014

Policy amended: 03/03/2011
Policy renumbered: XX/XX/XXXX

All transfer of funds not specified in the adopted budget must be approved by the Treasurer and reported to the Board.

The permanent transfer of funds from the Operating Trust Fund, or other special funds that may be created by the Board, must be approved by the Board and meet any special conditions that a transfer requires that are set forth in existing policies and regulations governing those funds.

BUDGET/BUDGETING SYSTEMS | BUDGET ADMINISTRATION | CONTINGENCY FUNDS

Policy adopted: 05/02/1984
Policy reviewed: 01/30/2014

Policy amended: 04/02/2014
Policy renumbered: XX/XX/XXXX

The budget document is a planning tool and, in some manner, an evaluation tool of the efforts of the Board of Directors and its staff. Therefore, every effort should be made so that items are correctly charged and budget plans can be evaluated.

It shall be the policy of the Board of Directors for staff to correctly code expenditures and revenue to the correct function and object. No contingency line items shall be created; however, certain “miscellaneous” budget accounts may be adopted within the budget.

ARTICLE IV – BUSINESS AND SUPPORT SERVICES

4143

BUDGET/BUDGETING SYSTEMS | BUDGET ADMINISTRATION | MID-YEAR BUDGET ADJUSTMENTS

Policy adopted: 03/18/2004
Policy reviewed: 01/30/2014

Policy amended: 03/03/2011
Policy renumbered: XX/XX/XXXX

It is the policy of the Board of Directors that when specific information concerning anticipated revenues and projected expenditures differ materially from the budgeting assumption, the Treasurer and Executive Director may recommend to the Board adjustments to the adopted budget at the next regular Board Meeting.

INCOME

Policy adopted: 03/18/2004
Policy reviewed: 01/30/2014

Policy amended: XX/XX/XXXX
Policy renumbered: XX/XX/XXXX

It shall be the policy of the Board of Directors to create income sources that will generate stable and sufficient revenue streams to accomplish the mission of the Association and adequately fund the activities that will support the accomplishment of adopted Association goals.

Revenue streams should be diversified in terms of membership dues, annual conference and workshop/seminar registration fees, charges for special services, related non-dues revenue, unrelated non-dues revenue, grants, contracts, leases and donations.

Income sources will be reviewed annually to insure that 1) the mix of revenue received does not jeopardize the 501(c)3 IRS designation, 2) the use of revenue does not jeopardize the sales tax exemption of the Association, 3) the dependence on one revenue source does not become critical to the total operation of the Association, and 4) the revenue and expenditures for each stream meet or exceed those stated in the action plans of the Association, and 5) the Board of Directors are aware of any revenue source that could potentially be categorized as Unrelated Business Income.

INCOME | MEMBERSHIP DUES

Policy adopted: 09/16/1981
Policy reviewed: 01/30/2014

Policy amended: 03/18/2004
Policy renumbered: XX/XX/XXXX

The membership dues for each membership classification shall be affirmed or adjusted during the budget development process established in the budget calendar (Policy 4112).

The membership period for all membership classifications, excluding Student Premier, shall begin the first day of the month in which dues are received and extend for the next 12 consecutive months.

Members who fail to renew their membership as defined by their membership classification shall have their services discontinued 60 days following the expiration of their membership.

Members who renew their membership within 60 days following their anniversary date shall still be considered a "continuous member."

Reference: Illinois ASBO Bylaws
Article V, Section 2

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4220

INCOME | REGISTRATION FEES

Policy adopted: 09/16/1981
Policy reviewed: 01/30/2014

Policy amended: 03/18/2004
Policy renumbered: XX/XX/XXXX

The Bylaws of the Illinois Association of School Business Officials provides that, "The Board of Directors is authorized to charge a registration fee for the Annual Conference. The Executive Director shall recommend to the Board of Directors the amount of the registration fee." This recommendation shall be given when the budget for the next fiscal year is adopted.

Reference: Illinois ASBO Bylaws
Article X, Section 1

INCOME | NON-DUES REVENUE

Policy adopted: 09/16/1981
Policy reviewed: 01/30/2014

Policy amended: 03/18/2004
Policy renumbered: XX/XX/XXXX

The Board of Directors recognizes that certain of its activities will be of service to nonmembers, unaffiliated organizations and school districts.

The Board believes that in the interest of good management for its membership, some of these services may provide non-dues revenues to support the Mission of the Association and the definition of a 501(c)3 IRS designation.

Consequently, the Executive Director will develop an administrative regulation that identifies the characteristics and creates criteria that can be used by the Association as it considers new revenue producing activities. The administrative regulation shall also provide guidelines and procedures for establishing appropriate fee structures that will cover the Association’s costs and overhead to generate such revenue.

ARTICLE IV – BUSINESS AND SUPPORT SERVICES

4240.1

INCOME | GUIDELINES FOR CREATING NEW PROGRAMS, SERVICES, PARTNERSHIPS

Regulation adopted: 03/18/2004
Regulation reviewed: 01/30/2014

Regulation amended: XX/XX/XXXX
Regulation renumbered: XX/XX/XXXX

Whenever the Board of Directors discusses a particular program or service, it should have answers to these key questions about the program/service:

- Need. Why do we have this program or service?
- Goal. What is the program or service intended to do?
- Objectives. What are the indicators that program expectations are being met?
- Budget Appropriation. What is our investment? (Budget appropriation)
- Evaluation. How will we know this program or service's level of success is meeting the expressed need? (Program evaluation)
- Consequences. What are the consequences of discontinuing this program or service?

When forming program and service PARTNERSHIPS, the following guidelines should be applied:

- The partnership should contribute to the improvement of public and private education at all levels.
- The partnership should contribute to the well being of the school business administration profession and school business manager.
- The partner(s) should provide a supply, material, equipment, program or service that the Association cannot readily provide on its own.
- The partner should have an impeccable reputation.
- The partnership should add to the positive reputation and strong tradition of Illinois ASBO.
- The partnership may or may not contribute to the financial well being of Illinois ASBO.

ARTICLE IV – BUSINESS AND SUPPORT SERVICES

4250

INCOME | UNRELATED BUSINESS INCOME

Policy adopted: 03/18/2004

Policy reviewed: 01/30/2014

Policy amended: XX/XX/XXXX

Policy renumbered: XX/XX/XXXX

The Board of Directors may, from time-to-time, create business activities that are not directly related to the mission of the association and are established specifically to generate revenue to support its 501(c)3 purposes. When such unrelated business activities are developed, the Board will carefully examine the Federal and State tax implications and the impact such taxes could have on the Association.

INCOME | GRANTS

Policy adopted: 03/18/2004
Policy reviewed: 01/30/2014

Policy amended: XX/XX/XXXX
Policy renumbered: XX/XX/XXXX

The Board encourages its staff to search for grants from governmental and private philanthropic organizations that could be used to further the cause of the school business management profession.

All grant applications must be approved by the Board of Directors.

Successful grant applications will undergo the scrutiny of a final review before signing contracts and/or accepting funds.

ARTICLE IV – BUSINESS AND SUPPORT SERVICES

4270

INCOME | FOUNDATION

Policy adopted: 03/18/2004
Policy reviewed: 01/30/2014

Policy amended: XX/XX/XXXX
Policy renumbered: XX/XX/XXXX

The Illinois Association of School Business Officials will create a foundation to receive donations primarily to be used to support the scholarship and recognition programs of the Association.

Regulation adopted: 03/18/2004
Regulation reviewed: 01/30/2014

Regulation amended: 04/02/2014
Regulation renumbered: XX/XX/XXXX

Illinois ASBO Foundation

What is The Illinois ASBO Foundation?

The Illinois ASBO Foundation was created to elevate the status of the profession of school business administration, to enhance the visibility of the “value” a school business manager brings to a school/school district, to provide college scholarships or support the foundations or school district initiatives of award recipients, and to provide financial grants to community services, policy and research initiatives or charitable organizations that serve children.

It is the hope of the Illinois ASBO Board of Directors that all members of Illinois ASBO will be generous in their donations, enabling the Foundation to:

- Recognize members for their excellent performance,
- Highlight district office teams for their best practices in school business management,
- Bring financial support to high school students, local foundations or district initiatives in the name of Illinois ASBO award recipients,
- Support organizations that provide programs and services to children through charitable grants,
- Aid research and policy initiatives in school business management and school finance,
- Support functions related to organizations such as ASBO International, and
- Grow a permanent endowment to guarantee perpetual financial support of future Foundation activities.

Types of Foundation Awards

The Foundation improves the status of the profession through awards that:

- Draw positive attention to individuals who are at the leading edge of creating current best practices in school business management (i.e. Monarch Award, Lighthouse Award, Ronald E. Everett Distinguished Service Award, Above and Beyond Award, President’s Award, and Executive Director’s Award).
- Recognize schools/school district business office teams whose innovations clearly add value to the efficient and effective operation of their educational agency (i.e. Lighthouse Award).
- Award scholarships to students from districts of award recipients.
- Support Foundations or district initiatives of award recipients.
- Give scholarships to students in school business management programs (i.e. DuPage, SSSBO, and Fox River Valley ASBO Annual Scholarships).
- Bring charitable donations to organizations supporting research and policy initiatives or charities that benefit children
- Allow Illinois ASBO to sponsor events at other organization conferences (i.e. ASBO International).
- Give contributions to individuals or organizations relating to specific tragedies.

- Memorial scholarship contributions to support both school district and service associate members.
- Leadership Institute scholarships designed to underwrite the cost of the Institute.

Donations to the Foundation (*donations are tax deductible*)

Silver, Gold and Platinum Contributions - Annual contributions may be made in a lump sum or spread out over a 12-month or 5-year period for both individuals and corporations. Donors in these categories may move up a category through cumulative contributions over a five year period.

Founder Contributions - Donations of over \$10,000 from individuals and over \$25,000 from corporations may be made in a lump sum, spread out monthly over a 5-year period (60 payments) or spread out annually over a 5-year period (5 payments).

Donations spread over several years will be recognized when the pledge has been made. Donors will be recognized for either their annual gifts or cumulative gifts. Both individual and corporate gifts will be recognized.

Recognition of Donors

Specific recognition will be given according to the following provisions:

Founder (\$10,000+ individual OR \$25,000+ corporate)

- listed on the Associations “wall of fame” in Headquarters Office (permanent)
- recognized at the Annual Banquet for five years
- listed in the Annual Report for five years
- listed in the Annual Conference program booklet for five years
- listed in the Annual Membership Directory & Buyers Guide for five years
- listed on the website for five years
- listed at Foundation sponsored events for five years (Pledge deadlines for ASBO International events is September 1 annually)

Platinum donors (\$2,500 individual OR \$10,000 corporate)

- recognized at the Annual Banquet for five years
- listed in the Annual Report for five years
- listed in the Annual Conference program booklet for five years
- listed in the Annual Membership Directory & Buyers Guide for five years
- listed on the website for five years
- listed at Foundation sponsored events for five years

Gold donors (\$1,000 individual OR \$5,000 corporate)

- listed in the Annual Report for five years
- listed in the Annual Conference program booklet for five years
- listed in the Annual Membership Directory & Buyers Guide for five years
- listed on the website for five years
- listed at Foundation sponsored events for five years

Silver donors (\$250 individual OR \$1,250 corporate)

- listed in the Annual Conference program booklet for five years
- listed in the Annual Membership Directory & Buyers Guide for five years
- listed on the website for five years
- listed at Foundation sponsored events for five years

Annual Members (\$20 individual or \$120 corporate)

Governance

The Foundation is governed by a 12 member Board of Governance consisting of the following members:

- Executive Director (Administrator of the Foundation) – 1
- Assistant Executive Director – 1
- Service Associate Advisory Committee Chair - 1
- Service Associate Advisory Committee Member (this will be the third year member not going forward as Vice Chair) - 1
- Treasurer and Past President - 2
- Active Members - 4
- Service Associate Members - 4

The Active and Service Associate members will serve a staggered 3-year term.

Financing of the Foundation

All activities will be supported by voluntary donations from Illinois ASBO members, special fund raising events, funds appropriated by the Illinois ASBO Board of Directors, and interest earned from a permanent endowment fund. All donations are tax deductible.

All donations and funds raised will be administered according to the following guidelines:

- No less than 60% for scholarships, research and policy development or charitable contributions
- No more than 10% deposited in a permanent endowment fund
- Approximately 10% for certificates, plaques and other recognition tokens for recipients
- Approximately 10% for marketing and administering the recognition programs
- Illinois ASBO sponsorship of events at other organization conferences (i.e. ASBO International)

For additional information, visit the Illinois ASBO website at www.iasbo.org, click on Recognition and Scholarships.

Illinois ASBO Foundation Donation Card

Thank you for your support

Your gift is tax deductible as per the

Internal Revenue Code pertaining to Section 501(c) (3)

DONATION

Individual Donation (check your donation/payment choice)

Category	Monthly Payment For 12 months	Annual Payment (lump sum)	Monthly Payment For 60 months
Silver	\$ 25.00	\$ 300.00	\$ 5.00
Gold	\$100.00	\$1,200.00	\$20.00
Platinum	\$200.00	\$2,400.00	\$40.00

Over \$2,400.00, please fill in amount(s): _____

Other monthly amount: _____

Corporate Donation (check your donation/payment choice)

Category	Monthly Payment For 12 months	Annual Payment (lump sum)	Monthly Payment For 60 months
Silver	\$ 200.00	\$ 2,400.00	\$ 40.00
Gold	\$ 500.00	\$ 6,000.00	\$100.00
Platinum	\$1,000.00	\$12,000.00	\$200.00

Over \$12,000.00, please fill in amount(s): _____

Other monthly amount: _____

FOUNDER CATEGORY (\$10,000+ FOR INDIVIDUAL AND \$25,000+ FOR CORPORATION)

Individual Donation (check your donation/payment choice)

Category	Monthly Payment For 60 months	Annual Payment for 5 years	Lump Sum
Founder	\$167.00	\$2,000.00	\$10,000.00

Over \$10,000.00, please fill in amount(s): _____

Other monthly amount: _____

Corporate Donation (check your donation/payment choice)

Category	Monthly Payment For 60 months	Annual Payment for 5 years	Lump Sum
Founder	\$417.00	\$5,000.00	\$25,000.00

Over \$25,000.00, please fill in amount(s): _____

Other monthly amount: _____

This donation is made in memory of: _____

INCOME | INCOME MANAGEMENT | INVESTMENTS

Policy adopted: 09/16/1981

Policy reviewed: 01/30/2014

Policy amended: 03/18/2004

Policy renumbered: XX/XX/XXXX

The Board of Directors has a fiduciary responsibility to its members to properly manage fund balances, which may occur from time to time in various accounts.

In the interest of good business management practice, and in accordance with obligations provided in the Bylaws, the Treasurer is hereby directed to oversee an administrative regulation that will provide guidelines for proper investment of fund balances.

ARTICLE IV – BUSINESS AND SUPPORT SERVICES

4283.1

INCOME | INCOME MANAGEMENT | INVESTMENTS | INVESTMENT PROGRAM

Regulation adopted: 09/16/1981
Regulation reviewed: 01/30/2014

Regulation amended: 04/02/2014
Regulation renumbered: 03/18/2004

The Association shall conduct an investment program, which will safely yield interest income.

The investment program shall be administered in a manner to ensure that:

1. all funds not needed in the day-to-day operation of the Association are invested;
2. the investments may be made either on a long-term or short-term basis; and
3. all Association investments shall be in compliance with the laws of the State of Illinois governing 501(c)3 investing.

The Treasurer and/or the Executive Director or his/her designee shall manage all activities associated with the investment program and shall make an annual review and assessment of the program. The Treasurer and/or the Assistant Executive Director and/or Executive Director are authorized to execute all documents relating to the investment program and to confer when appropriate, with reputable consultants regarding investments.

Legal Reference IRS Chapter 85, 901-905
 "Deposit of Public Funds"

ARTICLE IV – BUSINESS AND SUPPORT SERVICES

4284

INCOME | INCOME MANAGEMENT | DEPOSITORY

Policy adopted: 12/15/1987
Policy reviewed: 01/30/2014

Policy amended: 04/02/2014
Policy renumbered: 03/18/2004

Revenues shall be deposited by the Executive Director or his/her designee in a timely manner.

The approved depositories are:

- The National Bank & Trust Company of Sycamore
- PMA Financial Services, Inc.
- Merrill Lynch

ARTICLE IV – BUSINESS AND SUPPORT SERVICES

4284.1

INCOME | INCOME MANAGEMENT | DEPOSITORY | SIGNATURE/FACSIMILES

Regulation adopted: 03/18/2004
Regulation reviewed: 01/30/2014

Regulation amended: 04/02/2014
Regulation renumbered: XX/XX/XXXX

All checks, vouchers, tax returns, and other official documents must possess original signatures unless a secure method for mechanical or electronic created/duplicated signatures on official documents is created with the approval of the Board of Directors.

ARTICLE IV – BUSINESS AND SUPPORT SERVICES

4285

INCOME | INCOME MANAGEMENT | DEPOSITORY | USING CREDIT CARDS FOR COLLECTIONS

Policy adopted: 03/18/2004
Policy reviewed: 01/30/2014

Policy amended: 04/02/2014
Policy renumbered: XX/XX/XXXX

The Board of Directors authorizes the staff to maintain a credit card collection capability. Such a system should seek out the lowest transaction fees possible to ensure that maximum revenue benefits accrue to the Association. The number of credit cards used for collection shall be determined by staff.

Currently accepted: MasterCard, Visa, Discover and American Express.

ARTICLE IV – BUSINESS AND SUPPORT SERVICES

4290

INCOME | EARMARKING REVENUES

Policy adopted: 03/18/2004

Policy reviewed: 01/30/2014

Policy amended: XX/XX/XXXX

Policy renumbered: XX/XX/XXXX

The Board of Directors may create or identify existing revenue streams and specifically dedicate all or a specific portion to be used to support all or in part any program or service of the Association.

EXPENDITURES

Policy adopted: 09/16/1981
Policy reviewed: 01/30/2014

Policy amended: 11/17/1994
Policy renumbered: XX/XX/XXXX

It is recognized that in promoting the growth of the organization and services to its membership, certain operating expenses shall be incurred. The Board of Directors, however, shall at all times be mindful of its obligation to safeguard the assets of the organization.

EXPENDITURES | PURCHASING AUTHORITY

Policy adopted: 09/16/1981
Policy reviewed: 01/30/2014

Policy amended: 03/18/2004
Policy renumbered: XX/XX/XXXX

The purchasing authority of the organization is the responsibility of the Executive Director.

To facilitate the procurement of the products and services needed for the effective and efficient operation of the Association, payments may be made by using the following:

1. Cash (only when documented with a receipt)
2. Check (supported by voucher and receipt)
3. Credit Cards (Shell Oil Company)
4. p-Card (Harris/BMO MasterCard)

The parameters for the use of credit cards and p-Cards shall be established by the Executive Director in consultation with the Treasurer.

ARTICLE IV – BUSINESS AND SUPPORT SERVICES

4320

EXPENDITURES | PAYMENT OF INVOICES

Policy adopted: 09/16/1981

Policy reviewed: 01/30/2014

Policy amended: 03/18/2004

Policy renumbered: XX/XX/XXXX

The Executive Director, or his designee, approves all invoices except for his/her own expense reimbursements, which shall be approved by the Treasurer.

ARTICLE IV – BUSINESS AND SUPPORT SERVICES

4320.1

EXPENDITURES | PAYMENT OF INVOICES

Regulation adopted: 09/16/1981
Regulation reviewed: 01/30/2014

Regulation amended: 03/03/2011
Regulation renumbered: XX/XX/XXXX

All invoices must be approved by the Executive Director, the Assistant Executive Director, or other designee. Said approval shall indicate its purpose if not clearly identifiable by the invoice.

All requisitions for reimbursement of expenses shall be on an individual rather than a group basis.

All requests for payment of expenditures not covered by a vendor's invoice, or for expense reimbursement, shall be presented in writing and shall contain all information relative to the expenditure, including receipts, as applicable.

All payment of expenditures (check signing) may be done by any of the following (only one signature needed): the Treasurer, Executive Director, or the Assistant Executive Director. In the absence of the Treasurer, the Executive Director, or the Assistant Executive Director, the Administration Director for Human Resources may approve invoices and sign checks.

EXPENDITURES | TRAVEL EXPENSES

Policy adopted: 09/16/1981
Policy reviewed: 01/30/2014

Policy amended: 02/24/1990
Policy renumbered: XX/XX/XXXX

The Board of Directors believes that any authorized person, when engaged in the performance of official business for the Association, should be reimbursed for such reasonable expenses incurred in such assignments.

The Board of Directors believes that to properly justify expenditures of this nature, clear and definite rules for the reimbursement of travel expenses should be established.

The Executive Director of the Association is directed to develop an administrative regulation, which will set forth the mechanics for the authorized reimbursement of these expenses.

EXPENDITURES | TRAVEL EXPENSES

Policy adopted: 09/16/1981
Policy reviewed: 01/30/2014

Policy amended: 03/03/2011
Policy renumbered: XX/XX/XXXX

A. GENERAL PROVISIONS

The policy of the Illinois ASBO Board established that any agent of the Association, when engaged in the performance of official business for the Association, will be reimbursed for such reasonable expenses occurred in such assignments.

1. Lodging—Any person who must obtain lodging in connection with Association business shall be reimbursed for the cost of a single room. Room receipt must accompany "Request for Reimbursement."
2. Meals—Actual reasonable expenses for meals (receipt required) shall be reimbursed or the per diem/meals rate established by the U.S. General Services Administration (GSA), Domestic Maximum per Diem Rates. Alcoholic beverages will not be reimbursed.
<http://policyworks.gov/org/main/mt/homepage/mtt/perdiem/perdiem.cfm?st=ILLINOIS&yr=2003>
3. Travel by Public Carrier—Expenses incurred for travel by bus, railroad or plane shall be reimbursed at actual cost. Receipt must accompany "Request for Reimbursement."
4. Travel by Personal Automobile—Reimbursement shall be in the amount in line with IRS Regulations. Parking and tolls will be reimbursed. When automobile travel is paid by the Association and two or more members attend a meeting, arrangements should be made to reduce the number of cars used for travel.
5. Travel expenses under \$30, which need no receipt, would be taxi, parking, road tolls, etc.
6. When deemed necessary, more expedient and economical, a rental vehicle may be substituted for other forms of ground transport. The Association shall reimburse for reasonable auto rental expenses with receipts.

ARTICLE IV – BUSINESS AND SUPPORT SERVICES

4410

ACCOUNTS/SYSTEMS | AUDITS

Policy adopted: 09/16/1981
Policy reviewed: 01/30/2014

Policy amended: 03/03/2011
Policy renumbered: XX/XX/XXXX

At the close of each fiscal year, the financial accounts and records of the Illinois Association of School Business Officials shall be audited according to generally accepted auditing standards by a qualified Certified Public Accountant.

ARTICLE IV – BUSINESS AND SUPPORT SERVICES

4410.1

ACCOUNTS/SYSTEMS | AUDITS

Regulation adopted: 09/16/1981
Regulation reviewed: 01/30/2014

Regulation amended: 03/03/2011
Regulation renumbered: XX/XX/XXXX

The annual audit of financial accounts and records will be implemented and completed in the following manner:

1. The Executive Director will arrange with a qualified Certified Public Accountant to complete the audit. When auditing proposals are to be sought, the Executive Director will seek the input of the outgoing Treasurer;
2. A Certified Public Accountant, who is an Illinois ASBO member, will have first offer;
3. The audit will be conducted according to generally accepted auditing standards;
4. The audit will display findings in such a way as to contrast the various budgeted line items with the amounts actually expended;
5. The CPA will be instructed to attach any comments, which in his/her judgment, are relative to the financial and managerial well-being of the Association;
6. The CPA will, by November 1 following the end of the fiscal year, submit copies of the audit, appropriate income tax reports, and a management letter to both the Treasurer and the Executive Director;
7. The audit will be placed on the Board Meeting Agenda for the next regular meeting following its receipt; and
8. The Board will review the audit and management letter and will cause the minutes of the meeting to reflect that an audit was received, reviewed, and filed.

ARTICLE IV – BUSINESS AND SUPPORT SERVICES

4441

ACCOUNTS/SYSTEMS | MONIES IN ASSOCIATION OFFICES | PETTY CASH FUND

Policy adopted: 04/21/1982
Policy reviewed: 01/30/2014

Policy amended: 03/18/2004
Policy renumbered: XX/XX/XXXX

The Executive Director shall have the authority to establish a Petty Cash Fund for the Association's office. Such funds shall be used for "emergency" expenses in carrying out the responsibilities of the Executive Director's office and only if the Association's p-Card cannot be used. "Emergency" expenses are those expenses that cannot be charged and handled in the usual manner. The amount of this Petty Cash Fund shall not exceed \$250.00 in the office and \$500.00 for the Annual Conference.

All forms to handle the Petty Cash Fund shall be the responsibility of the Executive Director. Monthly reports generated to replenish the petty cash fund shall be retained for auditing purposes.

ARTICLE IV – BUSINESS AND SUPPORT SERVICES

4441.1

ACCOUNTS/SYSTEMS | MONIES IN ASSOCIATION OFFICES | PETTY CASH FUND

Regulation adopted: 04/21/1982
Regulation reviewed: 01/30/2014

Regulation amended: 03/18/2004
Regulation renumbered: XX/XX/XXXX

Each expenditure shall be accounted for by the use of a petty cash slip approved by the Executive Director and signed by the person making the expenditure. A receipted bill shall be attached. The petty cash slip shall provide the budget code to which the expense is charged.

The Petty Cash Fund may be replenished as needed. After review and approval of the petty cash receipts presented for payment, a check is drawn to petty cash for the amounts expended and charged to the proper budget codes.

ACCOUNTS/SYSTEMS | BUDGETING

Policy adopted: 09/16/1981
Policy reviewed: 01/30/2014

Policy amended: 03/03/2011
Policy renumbered: XX/XX/XXXX

The Executive Director, in consultation with the Treasurer, is hereby directed to establish and maintain a Chart of Accounts to facilitate the budget planning, preparation, administration, and reporting of the financial health of the Association.

The Chart of Accounts shall be approved by the Board of Directors at the time the budget is adopted.

The Chart of Accounts may be amended during the fiscal year and accounts may be added as long as they are sub accounts for further delineation of expenses. When sub accounts are created, the budget of the primary account may be divided among the new sub accounts but the total budget of all sub accounts may not exceed the approved primary account budget.

ARTICLE IV – BUSINESS AND SUPPORT SERVICES

4450.1

ACCOUNTS/SYSTEMS | BUDGETING

Regulation adopted: 09/16/1981
Regulation reviewed: 01/30/2014

Regulation amended: 11/16/1990
Regulation renumbered: XX/XX/XXXX

The Chart of Accounts will be as it appears or as amended in the Budget passed by the Board of Directors for the current fiscal year.

ACCOUNTS/SYSTEMS | OPERATING TRUST FUND

Policy adopted: 02/25/1988
Policy reviewed: 01/30/2014

Policy amended: 03/03/2011
Policy renumbered: XX/XX/XXXX

It is the policy and practice of the Board of Directors to adopt a balanced budget. In those years when actual revenues exceed actual expenditures it will be the judgment of the Treasurer and Executive Director whether they may transfer some or all of any balances into the Operating Trust Fund Account, which shall be invested according to policy.

The goal of such an Operating Trust Fund is to 1) provide financial security to the Association, 2) improve budgeting procedures, 3) build operating reserves, 4) generate additional revenue for the Association, 5) provide start-up capital for new programs and services and, 6) provide an internal source of cash to solve cash flow problems.

The goal of “financial security” to the Association for the purpose of this policy is defined as 50% of the total actual General and Administrative expenditures from the most current financial audit, or more Funds are deposited in the Operating Trust Fund.

The use of the funds from the Operating Trust Fund (other than to meet monthly cash flow needs) must be approved in advance by the Board of Directors.

ARTICLE IV – BUSINESS AND SUPPORT SERVICES

4460.1

ACCOUNTS/SYSTEMS | OPERATING TRUST FUND | NON-DUES REVENUE ALLOCATION

Regulation adopted: 6/21/2001
Regulation reviewed: 01/30/2014

Regulation amended: 11/18/2004
Regulation renumbered: 10/16/2004

At the time a non-dues revenue program or service is implemented, the Board shall declare any one or a combination of the following:

1. Will the program be subsidized, break even, or generate non-dues revenue above expenditures?
2. Is non-dues revenue above expenditures to support another program or service (in total or in part)?
3. A percentage of any profit shall be deposited in the Operating Trust Fund.
4. All other non-dues are placed in the budget as discretionary revenue.

A projected financial plan shall be submitted to the Board of Directors that includes:

1. program direct costs to the Association;
2. sponsorship shares;
3. rebates to use (where appropriate);
4. amounts to be credited to the Operating Trust Fund; and
5. residuals.

ACCOUNTS/SYSTEMS | RESERVES

Policy adopted: 01/20/1993
Policy reviewed: 01/30/2014

Policy amended: 03/18/2004
Policy renumbered: XX/XX/XXXX

It is the policy and practice of the Illinois ASBO Board of Directors to maintain the following reserves:

- Operating Trust Fund
- Future Facilities Fund
- Illinois ASBO Foundation

At the end of each fiscal year, it shall be the policy and practice of the Board of Directors to transfer any excess funds to the Operating Trust Fund if the reserves are not needed for new programs and/or services.

The Board of Directors may create other reserves as it deems appropriate.

ACCOUNTS/SYSTEMS | FUTURE FACILITIES FUND

Policy adopted: 03/18/2004
Policy reviewed: 01/30/2014

Policy amended: XX/XX/XXXX
Policy renumbered: XX/XX/XXXX

It is the policy of the Board of Directors of Illinois ASBO that 100% of all lease revenue received from Northern Illinois University for space it leases from the Association at 108 Carroll Avenue, DeKalb, Illinois, shall be invested in a separate Future Facilities Fund to be used along with any interest earned for providing adequate facilities at some future date.

These funds are exclusively to be used for providing future facilities and can only be diverted for another use by an affirmative vote of 75% of the Board of Directors at an official meeting of the Board of Directors after due notice has been given to the general membership of pending use.

ARTICLE IV – BUSINESS AND SUPPORT SERVICES

4510

SUPPORT SERVICE OPERATIONS | JOB PLACEMENT SERVICES

Policy adopted: 09/16/1981
Policy reviewed: 01/30/2014

Policy amended: 11/16/1990
Policy renumbered: XX/XX/XXXX

It shall be the policy of the Association to assist its members and potential members in locating and securing professional positions. To that end, the Association will develop and provide job vacancy notification as recommended by the Executive Director and approved by the Board of Directors.

ARTICLE IV – BUSINESS AND SUPPORT SERVICES

4510.1

SUPPORT SERVICE OPERATIONS | JOB PLACEMENT SERVICES

Regulation adopted: 11/16/1990
Regulation reviewed: 01/30/2014

Regulation amended: 06/14/2002
Regulation renumbered: XX/XX/XXXX

The Association will develop and provide job vacancy notification through the Association’s Web site.

ARTICLE IV – BUSINESS AND SUPPORT SERVICES

4540

SUPPORT SERVICE OPERATIONS | INSURANCE/OFFICER BONDS

Policy adopted: 09/16/1981
Policy reviewed: 01/30/2014

Policy amended: XX/XX/XXXX
Policy renumbered: XX/XX/XXXX

It shall be the policy of the Illinois Association of School Business Officials to indemnify and protect the Association, the members of the Board, employees, and volunteer personnel against suits for damages sought for negligence or wrongful acts alleged to have been committed in the scope of their employment, or under the direction of the Board of Directors.

Policy adopted: 03/05/2009
Policy reviewed: 01/30/2014

Policy amended: XX/XX/XXXX
Policy renumbered: XX/XX/XXXX

This policy identifies the record retention responsibilities of staff, volunteers, members of the Board of Directors and outsiders for maintaining and documenting the storage and destruction of the Association's documents and records.

1. **Rules.** The Organization's staff, volunteers, members of the Board of Directors and outsiders (i.e., independent contractors via agreements with them) are required to honor these rules: (a) paper or electronic documents indicated under the terms for retention below will be transferred and maintained by the Human Resources, Legal or Administrative staffs/departments or their equivalents; (b) all other paper documents will be destroyed after three years; (c) all other electronic documents will be deleted from all individual computers, data bases, networks, and back-up storage after one year; and (d) no paper or electronic documents will be destroyed or deleted if pertinent to any ongoing or anticipated government investigation or proceeding or private litigation.
2. **Terms for retention.**
 - a. Retain permanently:
 - Governance records** – Charter and amendments, Bylaws, other organizational documents, governing board and board committee minutes.
 - Tax records** – Filed state and federal tax returns/reports and supporting records, tax exemption determination letter and related correspondence, files related to tax audits.
 - Intellectual property records** – Copyright and trademark registrations and samples of protected works.
 - Financial records** – Audited financial statements, attorney contingent liability letters.
 - b. Retain for ten years:
 - Pension and benefit records** – Pension (ERISA) plan participant/beneficiary records, actuarial reports, related correspondence with government agencies, and supporting records.
 - Government relations records** – State and federal lobbying and political contribution reports and supporting records.
 - c. Retain for three years:
 - Employee/employment records** – Employee names, addresses, social security numbers, dates of birth, INS Form I-9, resume/application materials, job descriptions, dates of hire and termination/ separation, evaluations, compensation information, promotions, transfers, disciplinary matters, time/payroll records, leave/comp time/FMLA, engagement and discharge correspondence, documentation of basis for independent contractor status (retain for all current employees and independent contractors and for three years after departure of each individual).
 - Lease, insurance, and contract/license records** – Software license agreements, vendor, hotel, and service agreements, independent contractor agreements, employment agreements,

consultant agreements, and all other agreements (retain during the term of the agreement and for three years after the termination, expiration, non-renewal of each agreement).

d. Retain for one year:

All other electronic records, documents and files – Correspondence files, past budgets, bank statements, publications, employee manuals/policies and procedures, survey information.

3. **Exceptions.** Exceptions to these rules and terms for retention may be granted only by the Association's Executive Director or President of the Board of Directors.