

## ISFAA FISCAL POLICIES AND PROCEDURES

REVISED JULY 2003

The following budgetary procedures and fiscal policies represent a compilation of the financial practices endorsed in past years by the ISFAA Executive Committee. These policies are meant to be guidelines for the fiscal operation of the Association and should be used by ISFAA committees in their work. As these policies are not constitutionally mandated, the Executive Committee may authorize changes or temporary waiver of any item.

### Budgetary Procedures

The objective of the budgeting process is to provide a planning tool for the Association so that its goals for the year can be organized and reached in a logical fashion.

The Audit and Finance Committee is responsible for preparing a preliminary budget to be presented to the Executive Committee and commission directors as early as is feasible but no later than the spring meeting.

The Executive Committee and the ISFAA Commission Directors will review this preliminary budget, discuss it and amend it as necessary. It will be the Executive Committee's responsibility to approve a tentative budget prior to May 1. The final budget will be approved after committee chairs have completed their plans and reviewed their needs. This should be completed by the first executive committee meeting of the fiscal year.

This budget shall include, but not be limited to, expenditures for committee work travel other than committee work, and any other projects that may be undertaken. It shall also include an estimate of the amount and sources of income.

The following items shall be allowed in the construction of budgets for ISFAA committees:

- a. Printing
- b. Travel of committee members
- c. Office supplies
- d. Computer time
- e. Special projects
- f. Postage (This will not include mass mailings. Committee chairpersons are encouraged to publish these as Newsletter or Newsflash articles.)
- g. Phone calls (It is the hope that the SUVON institutions will cover these costs.)

A special contingency budget item may be provided to the President to cover unforeseen Association needs that may arise. Upon the request of the commission director and the committee chairman, the President may transfer funds from his or her contingency to the committee budget without the prior approval of the Executive Committee.

After a final budget is approved by the Executive Committee, any exceptions, changes or additions to that budget shall be requested by any individual or committee directly to the Audit and Finance Committee. It will be the function of the Audit and Finance Committee to recommend to the Executive Committee approval or disapproval of any such request. It is the Executive Committee's responsibility to act as promptly as possible on any requests for exceptions or changes to the approved budget.

A formal budget summary and income statement must be presented to the membership at least annually. These statements provide the Executive Committee with the information needed to make budget changes mid-year.

To allow sufficient cash flow, a minimum ending balance of \$2,500 should be the over cash goal. In addition, a minimum reserve balance of \$20,000 should be maintained.

### Generation of Income

Income should be generated from the following sources:

- a. Membership dues:
  - \$45 for Institutional Membership
  - \$15 for each additional membership
- b. Profit on meetings, as outlined in the guidelines for meetings
- c. Investments--reserve funds should be determined in each yearly budget and these funds should be placed in some interest bearing, non-risk account to be determined by the Executive Committee
- d. Sponsorship--advertisements in the Directory and Newsletter; exhibits at meetings
  - All 4 issues - \$700 for ½ page ad
  - 1 issue - \$200 for ½ page ad
- e. The ISFAA Executive Committee should explore other income producing activities

Members will be billed for any bank charges due to checks returned for insufficient funds.

### Reimbursement for Travel Expenses

ISFAA members active in Association affairs contribute generously of their and their institution's time. Many also absorb cash expenditures on behalf of the Association. While these "contributions" are certainly appreciated, it is not the intent of ISFAA to require or even encourage such subsidy. Accordingly, members who incur expenses while performing duties for the Association will be reimbursed subject to the following guidelines:

#### SINGLE DAY MEETINGS:

Mileage--Mileage will be reimbursed at the rate approved by the IRS at the beginning of ISFAA fiscal year per mile traveled when using a personal or institutional automobile. Parking costs will be reimbursed in addition to the basic mileage rate.

Airfare--when distance and time demands require air travel, ISFAA will reimburse the actual airfare. Ground transportation from the airport to the meeting destination and back will also be reimbursed, as will airport parking at the airport of origin.

Meals--When ISFAA business requires the member to leave home by 6:00 a.m. or earlier, a \$6.50 in-state or \$8.00 out-of-state breakfast allowance will be granted. When the member does not return home prior to 8:00 p.m. a \$16.00 in-state or out-of-state dinner allowance will be granted. No lunch reimbursement will be allowed for a single day meeting. For multi-day meetings, an allowance of \$6.50 in-state or \$8.00 out-of-state will be issued.

#### MULTI-DAY MEETINGS:

Mileage--Mileage will be reimbursed at the rate approved by the IRS at the beginning of the ISFAA fiscal year per mile traveled when using a person or institutional automobile. Parking costs will be reimbursed in addition to the basic mileage rate.

Airfare--when distance and time demands require air travel, ISFAA will reimburse the actual airfare. Ground transportation from the airport to the meeting destination and back will also be reimbursed, as well as airport parking at the airport of origin.

Meals--Meals not covered by registration will be reimbursed according to the following schedule:

	In-State	Out-of-State	
Breakfast	\$6.50	\$8.00	(For travel beginning by 6:00 a.m.)
Lunch	6.50	8.00	
Dinner	16.00	16.00	(For travel ending after 8:00 p.m.)

Lodging--Lodging will be reimbursed at the actual room rate charged by the hotel. Members are encouraged to share room costs whenever possible.

Other costs--Other necessary costs will be reimbursed with the approval of the President.

#### EXAMPLES OF REIMBURSABLE MEETINGS:

ISFAA committee and commission meetings  
 Special ISFAA assignments, such as high school workshops  
 Meetings of selected officers called by the President  
 MASFAA/NASFAA meetings for state officers  
 NASFAA annual conference (President only)  
 Meetings called by governmental agencies and other associations at which ISFAA representation is expected.

Other meetings may be approved from time to time by the Executive Committee.

#### REQUEST FOR CASH ADVANCE

The President-Elect, President, and/or Past President may request a cash advance for ISFAA related travel (lodging, transportation, per diem, other expenses) by completing a "Request for Cash Advance" form, providing the appropriate counter signature and forwarding the form to the Treasurer. Receipts need to be forwarded to the Treasurer within thirty days of return from the trip.

#### FINANCIAL AID NIGHT WORKSHOPS:

During the academic year, ISFAA will reimburse members mileage to and from high school workshops for those members who are not reimbursed by their institutions.

#### MEMBERSHIP LABEL FEE:

Regular ISFAA members may receive membership labels free of charge. However, free labels will only be available for the purpose of communicating ISFAA matters with the membership. Regular ISFAA members desiring to use membership labels for other educationally related matters might purchase the labels at the same fee rate as associate, affiliate, and non-members. Requests may be made by submitting the ISFAA Label Request Form and fee, if applicable, to the Membership Chairperson.

The availability of ISFAA membership address labels for regular, associate, affiliate, members and non-member organizations will be available by completing the ISFAA Label Request Form accompanied with a fee of 25 dollars.

Upon receipt of the ISFAA Label Request Form and fee, the ISFAA Membership Committee will review the request, and subsequently approve or deny the request.

• If the request is denied, a copy of the ISFAA Label Request Form and the fee will be returned with a statement of denial. A copy of the denial should be kept on file with the membership committee.

ISFAA membership labels will be available upon approval to institutions and organizations such as:

- Postsecondary Public, Private and Proprietary Educational Institutions
- Lending Institutions
- Guarantee Agencies
- Loan Servicing Organizations
- State, Regional and National Student Financial Aid Associations
- State Student Assistance Commissions
- U.S. Department of Education

ISFAA membership labels will be prohibited to:

- Private individuals not associated with or acting on behalf of any of the above organizational categories.
- Private for-profit scholarship search organizations.
- Private institutions and organizations that do not play a major role in helping students finance their college costs.

ISFAA Membership Committee responsibilities:

- Initially the Membership Committee will review the ISFAA Label Request Form for the intended label usage. The committee has the authority to request for preview of any materials to be mailed to ensure that our goals in providing access to our membership data is preserved.
- The ISFAA Membership Committee may exercise their professional judgment in the approval of all label requests.
- The ISFAA Membership Committee may refer any request that may be in question to the higher authority of the ISFAA Executive Committee.
- Upon approval, the labels will be printed and mailed with receipt to the organization. The approved Label Request Form and fee will be sent to the ISFAA Treasurer. A copy of the Label Request Form and fee should be kept on file with the Membership Chair.

#### SPECIAL COSTS:

Registration fees-ISFAA will reimburse for registration fees only in those instances when the members would not otherwise have attended the meeting. In other words, if the member would normally attend on behalf of his or her institution, ISFAA will not reimburse.

#### OTHER EXPENDITURES:

The following types of expenses are normally reimbursable when incurred on behalf of the Association:  
Printing, Postage, Telephone toll charges, Supplies.

Members are encouraged to make arrangements for direct billing to ISFAA if the expense is recurring or of significant cost. Bills should be sent to the Treasurer. The tax-exempt number will be provided upon request.

#### Reimbursement Procedures

Reimbursement will only be made through use of a Request for Payment Form prepared by the Treasurer. The voucher must be signed by the member requesting reimbursement and countersigned by the appropriate committee chairman, commission director or President of President-Elect. The counter signature should be that at the closest level to the member to be reimbursed.

The Reimbursement form must be completed by the member requesting reimbursement as soon as possible but no later than thirty (30) days (vacations and holidays excepted) after the day the expense occurred or the date on which the member was billed, whichever occurs first. Failure to request payment within thirty (30) days may result in non-payment of the reimbursement request by ISFAA.

Committee chairmen and commission directors should review the reimbursement for its appropriateness and verify that the committee or project budget is sufficient to cover the claim. They should then counter-sign the voucher and forward it to the Treasurer for payment. The Treasurer is encouraged to write the check as quickly as possible.

### **Regular Association Meetings, Workshops and Conferences**

These following guidelines for meetings cover the two regularly scheduled annual meetings, workshops and conferences but do not include committee meetings. All regular meetings, workshops and conferences sponsored by ISFAA should be planned and run to make a profit. Regular meetings are defined by the constitution to be the fall and spring meetings of the Association. Other meetings, workshops and conferences are defined to be any training function provided as a service to ISFAA members. Plans should include a \$250 profit on each regular meeting of the Association. All other meetings should generate a \$100 per meeting profit. The Executive Committee may approve exception to the above requirements.

The Executive Committee on the recommendation of the individual or group planning the meeting must approve all registration fees. Free registration is provided only to non-member guest presenters, the President, two for use by only the chairperson(s) of site per meeting and two for use by only the chairperson(s) of program per meeting. All other members and any non-member, who is not a guest presenter, must pay the established registration fee. All non-members shall pay a minimum of an additional \$10 as part of their registration fee for each meeting. Late registrants, as defined by the site committees, will pay a minimum of an additional \$10 as part of their registration fee. For those agencies that wish to exhibit at any ISFAA meetings, the exhibitor's fee will be \$324, which is set by the Executive Committee, and will include one conference registration fee waiver. This fee will be reviewed and may change as deemed appropriate by the Executive Committee.

In no case will ISFAA members, Office of Education personnel or College Board members be paid honorariums although expenses may be reimbursed. Mileage of non-ISFAA members will be reimbursed at the current IRS standard mileage. An honorarium is defined as a fee provided to an individual for professional services rendered. A Request for Payment should be submitted for obtaining payment of honorariums.

Sponsors, exhibitors and other organizations cannot add material to the ISFAA registration packets.

The chairperson(s) for each meeting must present a detailed report of income and expenditures to the Executive Committee.

### **Tax Reporting**

The Audit and Finance Committee is responsible for filing state and federal tax returns annually. These forms should be filed within 120 days after the end of the prior fiscal year or according to the appropriate instructions.

The annual Report for Not-for-Profit Corporations is to be filed by the Treasurer according to the instructions received with the form.