



**Kentucky Association of Educational
Opportunity Program Personnel (KAEOPP)**

Fiscal Management Manual

January 2006
KAEOPP Executive Board Meeting

I. BUDGET

Preparation of an Annual Budget

The Finance Committee shall provide guidance and direction to the Treasurer to prepare an annual budget for approval at the June Executive Board meeting. The Finance chair shall solicit budget requests from committee chairs at the Spring Board meeting. A budget should be presented at the fall conference business meeting.

The budget shall divide income and expenditures related to different activities into separate budget categories as is necessary to meet obligations and to comply with standard accounting procedures.

Report Periods

For the purpose of preparing financial reports, the Association's accounting period is May 1st through April 30th.

II. Basic Budget Items

The KAEOPP budget is comprised of line items that represent Officer expenses and Committee expenses that generally require that the receipt or expenditures of KAEOPP funds to function. Those items have been utilized in the past have been compiled into the Basic Budget listing that can be used in the development of each fiscal budget.

III. Budget Modification

As required by changes in the Association, financial position or priorities, budget modifications, may, from time to time, be recommended by the Finance Committee and approved by the Board.

IV. Accounting Procedures

To facilitate the tracking of KAEOPP expenditures and revenue, each line item will be will appear on the proposed budget. A separate attachment will be kept in the Treasurer's notebook that is a line item for revenue and expenditures in a more detailed format. The Treasurer will balance the account on a monthly basis as soon as the bank statement comes.

V. Financial Reports

Treasurer and Finance Committee Reports

A detailed itemized listing of all fiscal transactions will be prepared for each regularly scheduled Executive Board Meeting and distributed to the Board. During the fall, winter (SAEOPP Conference) and spring state business meetings, general membership will

receive a general budget report. At the spring meeting, general membership will receive a three year budget comparison.

Inquiries Concerning Financial Reports

Board members, membership, committees and current prospective funding agencies having questions concerning KAEOPP's financial reports shall relay those questions to the Treasurer. The Treasurer and President shall review the questions and prepare a reply. All inquiries must be responded to within 30 days of the inquiry date.

Reports to the Internal Revenue Service

Regular financial reports will be prepared by the Treasurer and submitted to the IRS as required by the reporting schedule of the IRS. A copy of all financial documents will be submitted to the Finance Committee and kept in the Treasurers manual. Organizations whose annual gross receipts are normally \$25,000 or less are not required to file.

The reports from the Finance Committee to the Executive Board should include verification of the submission of these reports.

V. Receipt and Disbursement of KAEOPP Funds

Bank Accounts

No agreement to open any KAEOPP bank account shall be entered into without the specific approval of the Board. No person shall open any bank account or use any existing account as a depository for KAEOPP funds without the specific approval of the Board.

Receipt of funds

Monies received shall be deposited by the Treasurer or his/her designee in the account authorized by the Board. Receipts must be written at the time of the transaction. Monies shall be secured by regulations set forth by the bonding agency.

If a check is returned to KAEOPP for insufficient funds the issuer will be responsible for the resulting \$34.00 bank fee.

Custody and safekeeping of collections

If monies are required to be held by staff or board members, that person is responsible for said funds.

KAEOPP shall not purchase any goods or services for the personal use of Board members. At no time shall the Treasurer or his/her representative approve the disbursement of funds against a particular budget line item account which causes expenditures in that account to exceed 100% of the annual budgeted amount for that line item without prior approval of the Board. Request for approval must be submitted in writing to the Finance Committee. The Finance Committee will make a recommendation to the Board.

VI. Refunds

KAEOPP will issue registration refunds for the Fall Conference and Spring Conference according to the following guidelines:

There will be a 20% cancellation fee attached to all refund requests, no exceptions. Treasurer will make approved refunds within 30 days of the request. Exceptions to the following guidelines can be made at the Executive Board.

Three weeks before the conference you will receive 75% of the conference registration fee. Two weeks before the conference you will receive 50% of the conference registration fee. One week before the conference you will receive 25% of the conference registration.

All requests for refunds will be sent in writing to the Treasurer.

A decision regarding the refund will be made after the committee chairperson has completed the required documentation.

Refunds will be processed by the Treasurer after the conclusion of the conference. Any refund given will be less 20% of the registration costs. Refund statements shall be included on all registration forms.

VII. Annual Audit of Financial Records

KAEOPP shall have an annual audit conducted as the ending of the fiscal year approaches, between January and April of each year. The audit will be conducted according to generally accepted auditing standards and Government Auditing Standards.

VIII. Selection of Vendors

Vendors shall be selected for their capability to serve the needs of KAEOPP and its members in the most economical and efficient manner possible. Vendors should be selected who honor tax exemption where applicable. Past performance and cooperation are important factors to be considered in the selection. Only vendors in compliance with the Equal Opportunity Act (Executive Order 1122246 amended) shall be utilized.

KAEOPP shall purchase from creditable firms or organizations operated or owned by minorities and/or women to the extent that this is feasible.

Necessity of quotations shall be secured when purchases and services (hotels included) in question exceed \$500.

In instances where only one vendor can supply the goods or services in a timely fashion or of a quality required, a sole source purchase shall be required. If a sole source purchase is to be utilized, the committee shall provide written documentation as to the reasons a particular vendor is to be utilized.

Travel

The basic policy regarding travel expense reimbursement for the KAEOPP Board and others acting on behalf of KAEOPP is that the individual traveler should neither gain nor lose personal funds as a result of travel assignments. Thus, each traveler is reimbursed for all expenses incurred in connection with authorized travel on KAEOPP business consistent with these policies and any specific policies governing the grant or contract to which it is charged. Individuals are strongly encouraged to obtain travel funds from alternative sources before submitting requests for reimbursements and to use the most economical mode of transportation.

Travel Authorization

Travel which is paid by KAEOPP must have prior approval from the KAEOPP President.

President's Travel

All Presidents' travel shall have a significant and demonstrable business purpose in the advocacy of educational opportunity.

Officer's Travel

All travel of other officers shall have a significant and demonstrable business purpose and shall be approved by the President with documentation to the Treasurer.

Other Travel

All other travel shall have a significant and demonstrable business purpose and shall be approved by the President with documentation to the Treasurer.

Air and Rail Travel

Domestic air and rail travel is reimbursed on the basis of the actual costs of transportation used by the traveler. Coach should be utilized on all occasions when it is

possible to do so. However, it is recognized that sometimes it may be necessary to use first class travel because of the lack of available space, time schedules, routing, cancellation of flights, etc. When first-class travel is used for any reason, a statement of its necessity must be submitted with the required reimbursement request. Special airfares and discount rates must be used when practical. Due to our business nature to ensure we are responsible with membership monies, all air and rail travel should be purchase in advance. KAEOPP requires that air and rail travel for all scheduled events (SAEOPP Board meetings, SAEOPP Conference Committee Meetings, and Policy Seminar) be purchased in at least two weeks in advance in order to take advantage of advance purchase discounts. In the event that an individual does not schedule airline travel for scheduled events in sufficient time to get discounted fares, the individual will be personally liable for the additional costs above the advance purchase/discounted rate. The President of KAEOPP must approve all exceptions.

Automobile travel

The use of rental cars may be authorized when such use results in savings of cost or time. Actual costs for the use of a rental car (including gas and insurance) will be paid in lieu of mileage rates. Receipts for gas should accompany rental car receipt.

Private automobile travel for Elected Officials only

When travel by private automobile is desirable to save time, to the June Board meeting, or to reduce the cost for a number of persons traveling to the same destination together, reimbursement shall be at the rate of .40 cents per mile (or the current Kentucky state mileage reimbursement rate) or \$50.00, whichever is less. This mileage allowance covers all transportation and operating costs. No reimbursement shall be made for the cost of repairs for mechanical failure of the vehicle, whether they result from the traveler's act or acts of others.

Other transportation

The use of other forms of transportation shall be authorized when savings are practical. For example, private car service to and from airports and railroad stations plus reasonable gratuities shall not be reimbursed, unless practical savings are involved. Taxi fares, including gratuities, shall be reimbursed where public transportation service is not practical. The transportation includes taxi between hotels and airports/rail stations, between appointments, and between hotels and temporary places of duty.

Lodging: Hotels and Motels

The payment of lodging must be pre-authorized by the KAEOPP President. Authorized travelers/guests should use standard accommodations in first class but not luxury hotels or motels. It is anticipated that if a traveler is attending meeting he/she shall stay at the hotel at which the meetings, is held unless a lesser cost is obtained. Receipts must be submitted for lodging expenses related to the purpose of travel for reimbursement.

Meals

Meal reimbursement must have the KAEOPP Presidents prior approval. Expenses for meals for authorized travelers shall be reimbursed in accordance to the KAEOPP Executive Board allowance policy. Authorized association activities through committees, liaisons or task forces shall reimburse participants for reasonable meal costs. Meal allowance is \$36.00 per day and receipts must be submitted to receive reimbursement.

Travel Advances

Travel advances are not available from KAEOPP.

Miscellaneous Travel Expenses

Other expenses associated with normal travel which shall be reimbursed include the following: ferry, bridge, tunnel, tolls and reasonable parking charges are allowed in addition to the mileage allowance. No personal calls will be reimbursed. Telephone calls necessary to obtain transportation and hotel reservation maybe reimbursed upon receipts and/or supporting documents. Expenses associated with gratuities for meals, baggage handling, baggage storage, clerical charges, and local charge to the extent that such gratuities do not exceed 20% of meal costs will be reimbursed.

- 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 traveler stays with such a party in lieu of commercial lodging
- Movies, spas, saunas, etc.
- Internet charges for personal use.

Contractual Services

Consultants

A consultant is an individual who is engaged to give professional advice or services for a fee; but not as an employee of KAEOPP. The term includes paid guest lecturers and other paid guest speakers.

1. Consultant payments to a Federal Employee shall not be charged to a federal grant or contract or non federal share required by such grant contract.

2. Volunteer consultants should not incur additional expenses as a result of working for or providing services for the Association.
3. A written contract/letter shall be on file with the President and the appropriate committee chairperson. This contract/letter will include the individual's name, specific duties, title, time commitment, and projected payment rate and expense categories to be covered.

All other services to KAEOPP must have a personal service contract between the person who will perform the service and the person contracting the service. These services must be approved by the Committee Chair and the Executive Board.

Equipment

An equipment inventory shall be maintained by the Finance Committee. This inventory will include item, location, purchase date, purchase price, serial numbers, disposal and disposal date.

X. Accounts

BASIC ACCOUNTS

Revenue

Interest on Accounts – income generated from various KAEOPP accounts

Carryover- income transferred from previous Treasurer

Miscellaneous – any additional general income generated by KAEOPP that does not fit into the above categories

Standing Committees

Development – income generated from Development committee activities other than those listed below

Ad Sales – income generated from the sale of ads in KAEOPP publications

Sales – income generated from individuals, corporations or others for the general operation of the organization

General Contributions – income generated from individuals, corporations or others for the general operation of the organization

Membership dues

Fall Conference

Exhibitors Fees – income generated from fees paid by agencies, corporations and individuals to exhibit at the KAEOPP conference

Hotel Rebate – income generated from the KAEOPP based on rooms acquired during the KAEOPP conference and training. This line should not appear in the budget if it is automatically deducted from the hotel bill.

Fun Run – income generated for the fees of participants in the KAEOPP conference Fun Run to cover costs for activity

Registration – income generated by the payment of registration fees for the KAEOPP conference

Conference Miscellaneous – income generated specifically to cover conference expenses such as meals or special events sponsored by the conference

Spring Conference

Exhibitors Fees

Special Events

Expenses

President

Board meetings

Travel

Vice President

Board meetings

Travel

Treasurer

Postage and printing

Supplies

Business Expenses

Insurance

Travel

Secretary

Printing and postage

Travel

Service Member at Large

Copies/Postage

Directory

Travel

Conference Member at Large

Travel

Committees

Awards and Scholarships expenditures for plaques, trophies supplies, printing, to meet the objectives or activities sponsored by this committee

Conference Committee

Fall Conference

Spring Conference

Other conference expenses

Constitution expenditures for forms, supplies, printing, etc. to meet the objective and/or activities sponsored by this committee

Emerging Leaders

Fair Share/Development

Finance expenditures for supplies, printing, or activities sponsored by this committee; expense of fiancé committee members

Nominating
Public Relations
State/Legislative Initiative
Travel to Policy Seminar
Publicity
Strategic Planning
Student Activities
Academic Bowl
Scholars Bowl
SSS Debate
KAEOPP t-shirts
Technology
Web site/Geocities
Travel
Trio Alumni Society
Trio Day
COE Institutional membership
SAEOPP Institutional membership