

Financial Policies and Procedures



Revised June 2010

## Table of Contents

<b>FISCAL POLICY</b> .....	<b>3</b>
BACKGROUND AND PURPOSE.....	3
POLICY AND PROCEDURES .....	3
<b>FINANCIAL STATEMENTS AND INTERNAL AUDITING</b> .....	<b>3</b>
COMPENSATION AND PAYROLL.....	4
BUDGET POLICY .....	7
<b>BACKGROUND AND PURPOSE</b> .....	<b>7</b>
POLICY AND PROCUDURES.....	7
VIOLATION OF POLICY .....	8
<b>RESERVES POLICY</b> .....	<b>9</b>
BACKGROUND AND PURPOSE.....	9
POLICIES AND PROCEDURES.....	9
<b>PURCHASING POLICY</b> .....	<b>10</b>
BACKGROUND AND PURPOSE.....	10
POLICY AND PROCEDURES .....	10
CONFLICT OF INTEREST POLICY.....	10
PURCHASING PROCDURES.....	14
CAPITAL EQUIPMENT PURCHASES .....	15
EMERGENCY ORDERS.....	15
BONDING.....	15
ACCOUNTS PAYABLE.....	15
CHECKS.....	15
CREDIT CARD POLICY.....	16
<b>FIXED ASSET POLICY</b> .....	<b>18</b>
PURPOSE .....	18
PRINCIPLE.....	18
POLICY .....	18
<b>CONTRACTUAL AGREEMENTS POLICY</b> .....	<b>21</b>
PURPOSE .....	21
<b>REIMBURSEMENT AND TRAVEL POLICY</b> .....	<b>22</b>
BACKGROUND AND PURPOSE.....	22
RECEIPTS.....	22
REIMBURSEMENTS .....	22
LODGING.....	23
MILEAGE REIMBURSEMENT .....	24
AIRFARE .....	25
<b>ASSESSMENT REFUND POLICY</b> .....	<b>27</b>
BACKGROUND AND PURPOSE.....	27
<b>ASSESSMENT REFUND</b> .....	<b>27</b>
<b>DOCUMENT RETENTION AND DESTRUCTION POLICY</b> .....	<b>29</b>
BACKGROUND.....	29
POLICY .....	29
MINIMUM RETENTION PERIODS FOR SPECIFIC CATEGORIES .....	29
ELECTRONIC MAIL .....	31
DOCUMENT PROTECTION .....	31
DOCUMENT DESTRUCTION .....	32
<b>WHISTLEBLOWER POLICY</b> .....	<b>33</b>

## FISCAL POLICY

### **I. BACKGROUND AND PURPOSE**

The purpose is to provide guidelines and fiscal procedures for the Arizona Students' Association. This policy should give the staff and Board Members a clear understanding of their roles and responsibilities for effective and responsible fiscal management. The Financial Policies and Procedures shall be made available in electronic format on the Arizona Students' Association website.

### **II. POLICY AND PROCEDURES**

- A. The Executive Director is directly responsible for ensuring that legal requirements and sound business practices are followed in managing financial activity of the association. The Treasurer of the Board shall have the direct oversight over the Executive Director's activities in these matters to ensure compliance.
- B. Sound business practices are intended to be consistent with generally accepted accounting principles (GAAP), auditing standards, and statutory and regulatory requirements.
- C. An external review or audit from a certified accountant shall be done each fiscal year and a report will be given to the Board of Directors on the results of that audit.
- D. An external accountant shall be hired to complete the Arizona Students' Association's taxes each year. The Executive Director shall report to the Board of Directors when the taxes are filed.

### **III. FINANCIAL STATEMENTS AND INTERNAL AUDITING**

- A. The Executive Director and Office Manager will meet monthly to review all accounts, including all income and expenditures.
- B. The Executive Director and the Office Manager must complete a report after these meetings. The report will be submitted to the Treasurer of the Board and any discrepancies will be documented and submitted to the Finance Committee along with statements for review.
- C. Financial Documents Request

1. Student members of the Arizona Students' Association, the Board of Directors, the Alumni Advisory Council, and the staff may request financial documents from the Arizona Students' Association. Information deemed privileged will be shielded from public access to protect the Association.

#### **IV. COMPENSATION AND PAYROLL**

- A. All part-time employees, including paid student employees, will track their hours using timecards. The timecards will need to be turned in to the employee's direct supervisor at the end of each week. The supervisor will report the hours to the Office Manager and give the Office Manager a copy of the timecard.
- B. Employees must request time off from the Executive Director. The Executive Director will approve time off and will inform the Office Manager of paid time off for each employee. The Office Manager will keep a worksheet to track all paid time off and will periodically review this worksheet with the Executive Director to ensure its accuracy.
- C. The Office Manager will report holiday, vacation, and sick day totals to the payroll company so that each employee's paid time-off will be documented in the Arizona Students' Association's payroll.
- D. When the paychecks are received, the Executive Director will review the paychecks and pass them out to the employees.
- E. Executive compensation
  1. In compliance with the Internal Revenue Service guidelines for approval of senior management compensation, the Board of Directors of the Arizona Students' Association will follow the following review and approval guidelines:
  2. Individuals Subject to this Policy (defined as "Covered Individuals"):

a) Chief Employed Executive (Executive Director): the individual who has the ultimate responsibility for implementing the decisions of the Board of Directors, or for supervising the management, administration, operations of the organization.

b) Officers (Board Chair): a person elected to manage the organization's operations and represent the organization.

3. Procedure for Approving Compensation:

a) In reviewing and approving the compensation of any Covered Individuals, the Board of Directors, or a delegated committee of the Board (referred to as the "Approval Body" below), will utilize the following process:

(1) Impartial decision makers. The compensation arrangement must be approved in advance (before any payment is made) by the Approval body of the organization composed entirely of individuals who do not have a conflict of interest with respect to the compensation agreement (examples: neither the executive whose compensation is being determined nor any his/her family members may be present during the discussion/debate in the vote).

(2) Comparability Data: When the Approval Body is considering the compensation for Covered Individuals, it must rely on comparability data that demonstrate the fair market value of the compensation in question. For example, when crafting compensation packages, the Approval Body must secure data that documents compensation levels for similarly qualified individuals in like positions at like organizations. This data may include the following:

(a) Written job offers for positions at similar organizations which include other state student associations

(b) Documented telephone calls about similar positions at similar organizations

(c) Information obtained from the IRS form 990 filings of similar organizations

4. Concurrent Documentation. The Approval body must document how it reached its decisions, including the data on which it relied. To qualify as concurrent documentation, written or electronic records of the approval body (such as meeting minutes) must note:

- a) The terms of the compensation and the date it was approved;
- b) The members of the Approval Body who were present during the debate on the compensation that was approved and those who voted on it;
- c) The comparability data obtained and relied upon and how the data were obtained; and
- d) Any actions taken with respect to consideration of the compensation by anyone who is otherwise a member of the Approval Body but who had a conflict of interest with respect to the decision of the compensation.

## **BUDGET POLICY**

### **I. BACKGROUND AND PURPOSE**

This policy outlines the proper procedure for budget development and approval process to create stability, consistency, and general guidelines for the budget process. With direction from the Board of Directors, the Executive Director is responsible for the implementation and continuity of the Arizona Students' Association's budget cycle. The Executive Director, with oversight of the Treasurer, is responsible for maintaining a balanced budget.

### **II. POLICY AND PROCEDURES**

#### **A. Time Line**

1. In the spring semester, a preliminary budget recommendation for the next fiscal year shall be completed by the Executive Director and the Finance Committee. The proposed budget recommendation will be presented to the Board of Directors for feedback and information.
2. In April a budget recommendation for the next fiscal year shall be approved by the current Board of Directors. The incoming Board of Directors will need to approve the budget when their term begins in June. Approval of the new budget requires a majority vote from each district of the voting members present.

#### **B. Budget Review Process**

1. On a quarterly basis, the Treasurer will present a fiscal report to the Board. A written explanation will be included if discrepancies occur.
2. A monthly report form will be prepared showing expenditures, deposits, accounts receivable, and accounts payable. The report form will be given to the Treasurer at the beginning of each month and disbursed at Executive Committee meetings. In addition, a quarterly-spreadsheet will be prepared detailing income and expenditures.

3. Approvals for the annual budget, mid-year budget revisions, quarterly budget/ fiscal reports, and emergency expenditures are to be recorded in the Arizona Students' Association's meeting minutes.

### **III. VIOLATION OF POLICY**

- A. It is the responsibility of the Executive Director to report any violations of this policy to the Board of Directors within 30 days from the date he or she becomes aware of the alleged violation(s). If the board is not properly and timely notified, the Executive Director may be disciplined pursuant to the Association's Personnel Policies. The Board of Directors may determine unauthorized expenses to be the sole financial responsibility of the individual who improperly authorized the expenses.

## RESERVES POLICY

### I. BACKGROUND AND PURPOSE

The Arizona Students' Association shall maintain a reserves account in order to be prepared for unforeseen financial circumstances. The Association understands the importance of advance planning for financial stability.

### II. POLICIES AND PROCEDURES

- A. The Arizona Students' Association shall allocate a minimum of 5% of its projected dues revenue into the reserves account during each budget cycle. This 5% policy shall be reviewed every year when setting the next year's budget. The reserves account shall not be considered a primary source of revenue.
- B. The purpose of the reserves account shall be:
  - 1. To ensure that the Association is provided with sufficient financial resources to maintain the fiscal viability of on-going activities during times of decline in membership dues;
  - 2. To ensure adequate cash flow and capital for the Association should there arise unforeseen expenses and financial responsibilities; and
  - 3. To allow the Association financial stability for future planning.
- C. Once the reserve has reached 100% of the current annual operating budget, the Board of Directors is no longer required to contribute money to the reserve account. Interest accrued will be retained in the reserve account.
- D. Approval for expenditures of the Association's reserves shall require a two-thirds vote of those members present and voting from each district.

## **PURCHASING POLICY**

### **I. BACKGROUND AND PURPOSE**

The Arizona Students' Association is committed to active competition in the purchase of equipment, materials, supplies, and services. These procedures are intended to provide appropriate direction for competitive purchases of equipment, supplies, and services essential to the operation of the Arizona Students' Association.

### **II. POLICY AND PROCEDURES**

- A. The Board of Directors must approve any expenditure over \$300.00 that is not already approved in the budget.
- B. Fitness and quality being equal, recycled products shall be considered for procurement in place of non-recycled products whenever such products are available at comparable rates to their non-recycled counterparts.
- C. Purchases shall follow what is customary in the market place for a particular commodity or product and be consummated in such a manner so as to constitute a reasonably prudent documented business transaction.
- D. Any purchase of a single item, product, service, or piece of equipment over \$5,000 will require competitive price quotations and/or formal bids as detailed in the Purchasing Procedures. The \$5,000 limit applies per product and not per vendor.
- E. Documentation of purchase shall be consistent with sound business practices and be adequate to allow an efficient annual audit.

### **III. CONFLICT OF INTEREST POLICY**

- A. It is in the best interest of the Arizona Students' Association to be aware of and properly manage all conflicts of interest and appearances of a conflict of interest. This conflict of interest policy is designed to help directors, officers, staff, and volunteers of the Arizona Students' Association identify situations that present potential conflicts of interest and to provide the Arizona Students' Association with a procedure to appropriately manage conflicts in accordance with legal requirements and the goals of accountability and transparency in the Arizona Students' Association's operations.

- B. Conflict of Interest Defined. In this policy, a person with a conflict of interest is referred to as an “interested person.” For purposes of this policy, the following circumstances shall be deemed to create a Conflict of Interest:
1. A director, officer, or staff member (or family member of any of the foregoing) is a party to a contract, or involved in a transaction with the Arizona Students’ Association for goods or services.
  2. A director, officer or staff member (or a family member of any of the foregoing) has a material financial interest in a transaction between the Organization and an entity in which the director, officer, or staff member, or a family member of the foregoing, is a director, officer, agent, partner, association, employee, trustee, personal representative, receiver, guardian, custodian, or other legal representative.
  3. A director, officer, staff member (or a family member of any of the foregoing) is engaged in some capacity or has material financial interest in a business or enterprise that competes with the Organization.
- C. Other situations may create the *appearance of a conflict*, or present a *duality of interests* in connection with a person who has influence over the activities or finances of the nonprofit. All such circumstances should be disclosed to the board or staff, as appropriate, and a decision made as to what course of action the organization or individuals should take so that the best interests of the nonprofit are not compromised by the personal interests of stakeholders in the nonprofit.
- D. Gifts, Gratuities, and Entertainment. Accepting gifts, entertainment, or other favors from individuals or entities can also result in a conflict or a duality of interest when the party providing the gift/entertainment/favor does so under circumstances where it might be inferred that such action was intended to influence or possibly would influence the interested person on the performance of his or her duties. This does not preclude the acceptance of items of nominal or insignificant value or entertainment of nominal or insignificant value which are not related to any particular transaction or activity of the Organization.
- E. Definitions

1. A "Conflict of Interest" is any circumstance described in Part 1 of this policy
2. An "Interested Person" is any person serving as an officer, employee, or member of the Board of Directors who has a personal interest that is in conflict with the interests of the Organization.
3. A "Family Member" is a spouse, parent, child or spouse of a child, brother, sister, or spouse of a brother or sister, of an interested person.
4. A "Material Financial Interest" in an entity is financial interest of any kind, which, in view of all the circumstances, is substantial enough that it would, or reasonably could, affect an Interested Person's or a Family Member's judgment with respect to transactions to with the entity is a party.
5. A "Contract or Transaction" is any agreement or relationship involving the sale or purchase of goods or services, the providing or receipt of a loan or grant, the establishment of any other type of financial relationship, or the exercise of control over another organization. The making of a gift to the Arizona Students' Association is not a Contract or Transaction.

#### F. Procedures

1. Prior to board or committee action on a Contract or Transaction involving a conflict of Interest, a director or committee member having a Conflict of Interest and who is in attendance at the meeting shall disclose all facts material to the Conflict of Interest. Such disclosure shall be reflected in the minutes of the meeting. If board members are aware that staff or other volunteers have a conflict of interest, relevant facts should be disclosed by the board member or by the interested person him/herself if invited to the board meeting as a guest for purposes of disclosure.
2. A director or committee member who plans not to attend a meeting at which he or she has reason to believe that the board or committee will act on a matter in which the person has a Conflict of Interest shall disclose to the chair of the meeting all facts material to the Conflict of Interest. The Chair shall report the

disclosure at the meeting and the disclosure shall be reflected in the minutes of the meeting.

3. A person who has a Conflict of Interest shall not participate in or be permitted to hear the board's or committee's discussion of the matter except to disclose material facts and to respond to questions. Such person shall not attempt to exert his or her personal influence with respect to the matter, either at or outside the meeting.
  4. A person who has a Conflict of Interest with respect to a Contract or Transaction that will be voted on at a meeting will not be counted in determining the presence of a quorum for purposes of the vote.
  5. The person having a conflict of interest may not vote on the Contract or Transaction and shall not be present in the meeting room when the vote is taken, unless the vote is by secret ballot. Such person's ineligibility to vote shall be reflected in the minutes of the meeting.
  6. Interested Persons who are not members of the Board of Directors of the Organization, or who have a Conflict of Interest with respect to a Contract or Transaction that is not the subject of Board or committee action, shall disclose to their supervisor, or the chair, or the Chair's designee, any Conflict of Interest that such Interested Person has with respect to a contract or Transaction. Such disclosure shall be made as soon as the Conflict of Interest is known to the Interested Person. The Interested Person shall refrain from any action that may affect the Organization's participation in such Contract or Transaction.
  7. In the event it is not entirely clear that a Conflict of Interest exists, the individual with the potential conflict shall disclose the circumstances to his or her supervisor or the Chair or the Chair's designee, who shall determine whether full board discussion is warranted or whether there exists a Conflict of Interest to this policy.
- G. Confidentiality. Each director, officer, and staff member will exercise care not to disclose confidential information acquired in connection with disclosures of conflicts of interest or potential conflicts, which might be adverse to the interests of the Organization. Furthermore, directors, officers, and staff members shall not disclose or use information relating to the business of the Organization for their personal profit or

advantage or the personal profit or advantage of their Family Member(s).

#### H. Review of Policy

1. Each director, officer, or staff member shall be provided with and asked to review a copy of this Policy and to acknowledge in writing that he or she has done so.
2. Annually each director, officer, or staff member shall complete a disclosure form identifying any relationships, positions, or circumstances in which s/he is involved that he or she believes could contribute to a Conflict of Interest. Such relationships, positions, or circumstances might include service as a director of or consultant to another nonprofit organization, or ownership of a business that might provide goods or services to the Arizona Students' Association. Any such information regarding the business interests of a director, officer, or staff member, or a Family Member thereof, shall be treated as confidential and shall generally be made available only to the Chair, the Executive Director and any committee appointed to address Conflicts of Interest, except to the extent additional disclosure is necessary in connection with the implementation of this Policy.
3. This policy shall be reviewed annually by each member of the Board of Directors. Any changes to the policy shall be communicated to all staff and volunteers.

#### IV. PURCHASING PROCEDURES

- A. The following procedures apply to purchases on single items over \$5,000.
- B. Advance price quotations must be obtained on all purchases over \$5,000 either by telephone or in writing.
  1. Quotes must be solicited from at least three different vendors. Documentation must include:
    - a. Date
    - b. Vendor name
    - c. Contact person and telephone number
    - d. Price quote with quantity, contract specifications and any other pertinent information.

2. A spreadsheet summarizing each vendor's quote shall be attached to proposal for vendor approval.

**V. CAPITAL EQUIPMENT PURCHASES**

- A. The Arizona Students' Association will make capital equipment purchases from time-to-time. Any capital equipment purchase over \$300.00 must be reported promptly to the Finance Committee. Capital equipment expenditures not included in the current operating budget must go through the proper approval process through the Board of Directors.

**VI. EMERGENCY ORDERS**

- A. In the event of an emergency that prohibits day-to-day operations of the office, the Executive Director and Office Manager in consultation with the Treasurer shall allocate the necessary funds. The allocated expense will be reviewed by the Board of Directors at its next meeting.

**VII. BONDING**

- A. All employees that can sign checks will be bonded.

**VIII. ACCOUNTS PAYABLE**

- A. The Office Manager will open, review, and pay all bills and fill out the checks and envelopes. Invoices will be stamped "paid" once they have been paid.
- B. The Office Manager will then give the bills to the Executive Director for review. The Executive Director will sign the checks and will be responsible for mailing them out.

**IX. CHECKS**

- A. The person that the check is made out to cannot sign the check. In instances where the "Paid to the Order" is the Executive Director, the Organizing Director will act as the authorized signature.

## X. CREDIT CARD POLICY

- A. The Arizona Students' Association authorizes the use of a corporate credit card for paying bills. Only one credit card will be issued to Arizona Students' Association. That credit card will be in the name of the Executive Director. The Executive Director shall provide documentation for all charges to the card on a monthly basis to the Office Manager. No credit card shall be a debit card.
- B. The card will be used to pay budgeted Arizona Students' Association's bills to vendors for the exact price of the product or service received.
- C. Any misuse, loss, questionable expenditure, or other unauthorized use of the credit card shall be reported to the credit card company immediately. The Office Manager will be responsible for notifying the Treasurer of the Board of any questionable transactions and/or transactions that are not accompanied by backup documentation. Failure to resolve any unauthorized use of the card shall result in reporting the situation to the Board of Directors and, if necessary, the proper legal authorities.
- D. The Executive Director, Office Manager, and Treasurer of the Board shall work to ensure the following:
  - 1. The bills for the credit card shall be paid on time each month;
  - 2. No fees or interest shall accrue because of failure to pay or late payment;
  - 3. Accurate records be kept concerning the use of the card;
  - 4. The ATM feature of the card will not be used;
  - 5. No other person shall gain access to the credit card for any reason;
  - 6. All bills are mailed directly to the Arizona Students' Association address of record for proper processing by the Office Manager;
  - 7. The Treasurer shall open and review all original statements received from the financial institutions with which the Association maintains accounts. These

originals will then be kept in a binder for the Finance Committee to review on a quarterly basis;

8. The Office Manager shall have online access to all accounts and is required to print and include copies of these statements in the monthly audits;
9. Fees shall be paid along with the bills in question;
10. All parts of the credit card agreements between the vendors and the Arizona Students' Association shall be enforced and carried out by all parties;
11. All credit card bills and documentation shall be available for review by the Arizona Students' Association's accountant;
12. The credit card cannot be linked to home equity, home line of credit, home improvement or other mortgage loans; and
13. No check card function is used in connection with the credit card.

## **FIXED ASSET POLICY**

### **I. PURPOSE**

- A. The purpose of this policy is to outline requirements for disposing of assets obtained by the Association, including furniture, equipment, and other items that may arise.

### **II. PRINCIPLE**

- A. The Association is accountable for the disposal of any assets purchased with student dollars.

### **III. POLICY**

- A. For fixed assets with an estimated value less than \$ 250, a Fixed Asset Disposal Form must be completed and sent to the Finance Committee for approval, and then to the Board of Directors; the Office Manager will ascertain the current market value of the item(s) with verification in a market review if one is available. The following procedures should be followed after the Board's approval:
  - i. Fixed assets with a low final value owned by the Association that are still in fair or good working condition may be offered to Board Members or staff at present market value. Information on items available for sale may be circulated among the Board listserv.
  - ii. Items may be auctioned off or sold through a bidding process or solicitation through a reputable third party seller if deemed to be efficient and effective by the Executive Director, Office Manager, and Treasurer with notice given to the board.
  - iii. Items may be donated to a reputable charity or disposed of with normal trash if there is no Board, staff,

or outside seller. The Asset Disposal Form must indicate how it was disposed.

- iv. If all or parts of the item are not acceptable for regular disposal through trash collection, such as hazardous or recyclable material, they must be delivered to the local recycling center or transfer station for disposal.
  - v. The Office Manager along with the Treasurer will facilitate the processing of the fixed Asset Disposal Form and complete the necessary changes to inventory and/or our accounting software with guidance from the Association's accountants and bookkeeper.
- b. For fixed assets with an estimated value greater than \$ 250.00, a Fixed Asset Disposal Form must be completed and sent to the Finance Committee for approval, and then to the Board of Directors; the Office Manager in consultation with the Treasurer and an appraiser will ascertain the current market value of the item(s). The following procedures should be followed after the Board's approval.
- i. Fixed assets that are in fair or working condition will be offered for public sale, using the most effective sales method as determined by the Executive Director, Office Manager, and Treasurer with guidance from the Association's attorney and accountants.
  - ii. Items will be sold to the highest bidder regardless of sales method.
  - iii. Offers from potential purchasers will be obtained through a sealed-bid process or through an online sale operated by an independent company. Board Members and staff may bid on these items only through a sealed bid process or through online bidding operated by an independent company.
  - iv. If an item cannot be resold, items may be donated to a reputable charity or disposed of with normal trash if

there is no Board, staff, or outside seller. The Asset Disposal Form must indicate how it was disposed.

- v. If all or parts of the item are not acceptable for regular disposal through trash collection, such as hazardous or recyclable material, they must be delivered to the local recycling center or transfer station for disposal.
- vi. The Office Manager along with the Treasurer will facilitate the processing of the fixed Asset Disposal Form and complete the necessary changes to inventory and/or our accounting software with guidance from the Association's accountants and bookkeeper.

## CONTRACTUAL AGREEMENTS POLICY

### I. PURPOSE

- A. Any contract involving the use of Arizona Students' Association funds not in a line-item of the budget must be approved by the Board of Directors. Any contracts entered into by the Arizona Students' Association must be approved by the Treasurer and signed by the Executive Director. Notification of the signing of the contract must be made during the staff report at the next meeting of the Board of Directors.

## **REIMBURSEMENT AND TRAVEL POLICY**

### **I. BACKGROUND AND PURPOSE**

- A. The Arizona Students' Association provides reimbursements for staff and Board Members for approved travel expenses. This policy outlines what expenditures are considered to be reimbursable expenses and the procedure for making reimbursements.

### **II. RECEIPTS**

- A. All receipts and memos for reimbursement will be given to the Office Manager.

### **III. REIMBURSEMENTS**

- A. The following are guidelines for processing expense reimbursements.
  - 1. All reimbursements must be accompanied by a form stating the reason for the request. Original receipts are preferable, but copies are permissible. The Executive Director must grant approval for the expense prior to the expenditure of funds and must sign the expense report for reimbursement to occur.
  - 2. The form and receipts should be given to the Office Manager for review. The Office Manager will fill out checks and submit them to the Executive Director for review and signature of reimbursement forms and checks.
- B. Meal Reimbursement
  - 1. Members of the Board of Directors and staff are eligible to receive reimbursement for meals during travel, including gratuity up to 20% where applicable, according to the following guidelines.
  - 2. Directors and staff requesting reimbursement must be conducting official Arizona Students' Association business for which no meals or per diem are provided by the

Association or another organization according to the following amounts:

In-State Travel –

Breakfast - up to \$6/person

Lunch - up to \$12/person

Dinner - up to \$15/person

Out-of-State Travel –

Breakfast - up to \$6/person

Lunch - up to \$12/person

Dinner - up to \$15/person

- C. In order to receive a reimbursement, Directors and staff must submit receipts identifying, when necessary, the items for which they are to be reimbursed.
- D. There will be no reimbursement for the purchase of alcoholic beverages.
- E. When attending an Association's meeting held in conjunction with a meeting of the Board of Regents, Directors must be in attendance for the Association's Board of Directors meeting, and as much of the Arizona Board of Regent's meeting as possible in order to receive the meal reimbursement. Absence from any portion of these meetings will require prior notification to the Chair of the Board.
- F. Exceptions to this stated policy are to be approved by majority of the Board Members present and voting in each District.

#### **IV. LODGING**

- A. The Arizona Students' Association will provide lodging for Board Members and staff when they travel on official Association business.
- B. It is Arizona Students' Association's policy that each Board Member has his or her own bed when staying in a hotel on Association business. Arizona Students' Association staff will make hotel reservations for Board Members for all board meetings and conferences and will attempt to reserve rooms with double beds that are non-smoking. Staff will send a rooming list out to Board Members prior to the check-in date.
- C. It is Board Members' responsibility to fax, mail, or hand-deliver their hotel receipts to staff. Arizona Students' Association will

ONLY cover room and tax. All other charges are to be paid by board members.

- D. It is Board Members' responsibility to notify staff if they will need a hotel room. If a Board Member requests a room, but no longer needs the room, they must inform the Office Manager 48 hours notice prior to the check-in time to allow the room reservation to be cancelled. It is unacceptable for Board Members to not use a room for which the Association has paid. Board Members that request a hotel room and do not use a hotel room will be invoiced by the Arizona Students' Association for the un-used hotel room.
- E. Arizona Students' Association staff may be reimbursed for their lodging expense at a local hotel when traveling outside of the county in which the majority of their job duties are located. The staff should seek out an affordable hotel in the local area.
- F. Variations and exceptions to this policy can be approved by a majority of the Board of Directors present and voting in each District.

## **V. MILEAGE REIMBURSEMENT**

- A. Arizona Students' Association delegations will make every effort to conserve travel funds. Conservative and careful application of this travel policy will enable the Arizona Students' Association to maximize the number and quality of Association business trips expended to the travel budget.
- B. For the purposes of this travel policy, all requests for reimbursement in question or under dispute will be submitted to the Board of Directors for approval.
- C. Travel funds will be used to reimburse only members of the Board of Directors, ex-officio board members, and Association staff, unless otherwise approved by the Board of Directors.
- D. Travel funds will be used to reimburse only for travel involving official Arizona Students' Association business. This does not include travel for business affecting only one of the universities, unless otherwise approved by the Board of Directors. The Student Regents shall be eligible for travel reimbursement when engaged in official Arizona Students' Association business, but not when they are concurrently eligible for reimbursement for official Board of Regents business.

- E. Travel funds will be used to reimburse for the following items: Arizona Board of Regents meetings, Board of Director meetings and special events, committee meetings, staff visits to universities on business of the Association, trips to the state legislature for lobbying and testifying on business of the Association, and other trips to conduct official Arizona Students' Association business. Any other requests for travel reimbursement or any travel requisitions in question will be submitted to the Board of Directors for approval.
- F. Efforts should be made to use as few vehicles as possible when traveling on Association business.
- G. For purposes of privately owned vehicle mileage reimbursements, the Association will follow the most recent reimbursement rate established by the U.S. General Services Administration.
- H. In order to receive reimbursements, the requestor must submit original receipts.
- I. Request for reimbursement must be submitted within 90 days of the date of travel.

## **VI. AIRFARE**

- A. In order to ensure that student dollars are well spent on all travel regarding Association business the following procedure will be implemented for all travel expenditures.
  - 1. Departure times and places for all flights MUST be confirmed with the person traveling PRIOR to the purchase of flights.
  - 2. Arrival times and places for all flights MUST be confirmed with the person traveling PRIOR to the purchase of flights.
  - 3. To constitute approval there must be either verbal or written agreement to all times and locations. This approval must be documented by the person purchasing the flights.
  - 4. Persons traveling on the Association's behalf are responsible for the following:

- a. Missed flights. If a person traveling on the Association's behalf misses a flight they will be responsible for all costs incurred as a result of the missed flights.
  - b. Travel within the city they are staying in. Persons traveling on the Association's behalf are responsible for their own travel arrangements while in their destination city.
  - c. Baggage costs. Unless otherwise agreed to baggage costs are the responsibility of the person traveling. Approval for baggage cost reimbursement must be discussed prior to travel.
5. The Executive Director, once the flights have been approved by the person traveling, will need to review the travel itinerary and sign off on the purchase.
6. All travel itineraries must be emailed to the person traveling within 24 hours of booking the flight.
7. Any changes to the itinerary after the purchase will be the responsibility of the person traveling, unless the changes are the result of issues relating to the organization.
8. The Association is not responsible for lost luggage, delays due to weather, any other costs incurred by the person traveling.
9. All exceptions to this policy must be approved by the Association's Executive Director and the Treasurer of the Board.

## ASSESSMENT REFUND POLICY

### I. BACKGROUND & PURPOSE

The purpose of this document is to establish precedence and to explain the process for refund assessment pursuant to the Arizona Students' Association bylaws.

### II. ASSESSMENT REFUND

- A. Every student shall have the right to a refund of any fee assessment paid by such student. Such request shall be made in writing and delivered to the Executive Director within twenty-one days of the start of instruction each semester. Such refunds shall be paid with all reasonable diligence.
- B. Students must include the following information to ensure a refund:
  - 1. Full Name (Last, first, and middle initial)
  - 2. Student Identification Number
  - 3. Complete Address
  - 4. Phone Number
  - 5. Email
  - 6. University you currently attend
  - 7. Would you like to be contacted?
  - 8. Comments
- C. Assessment refund forms will be located on the Arizona Students' Association website and copies will be located in student government office(s).
- D. Student(s) that cannot be verified will not receive an assessment refund until their student status has been verified.
- E. The Association will accept all requests with the minimum information provided above by email, fax, postal service, and hand delivery within the first twenty-one days of the start of instruction each semester.

F. Procedure for Processing Assessment Refund Requests

1. Collect assessment refund requests;
2. Verify each student's status and address;
3. Send out refunds;
4. Contact students only when necessary to verify information needed to process the request or if the requestor indicated he/she would like to be contacted;  
and
5. Collect data to report to the Board of Directors (if applicable).

## **DOCUMENT RETENTION AND DESTRUCTION POLICY**

### **I. PURPOSE**

A. The purposes of this document retention policy are for the Arizona Students' Association to enhance compliance with the Sarbanes-Oxley Act and to promote the proper treatment of corporate records of the Association.

### **II. POLICY**

A. General Guidelines. Records should not be kept if they are no longer needed for the operation of the association or required by law. Unnecessary records should be eliminated from files. The cost of maintaining records is an expense which can grow unreasonably if good housekeeping is not performed. A mass of records also makes it more difficult to find pertinent records.

B. From time to time the Association may establish retention or destruction policies or schedules for specific categories of records in order to ensure legal compliance, and also to accomplish other objectives, such as preserving intellectual property and cost management. Several categories of documents that warrant special consideration are identified below. While minimum retention periods are established, the retention of the documents identified below and of documents not included in the identified categories should be determined primarily by the application of the general guidelines affecting document retention, as well as the exception for litigation relevant documents and other pertinent factors.

C. Exception for Litigation Relevant Documents. The Association expects all officers, directors, and employees, to comply fully with any published records retention or destruction policies and schedules, provided that all officers, directors, and employees should not the following general exception to any stated destruction schedule: if you believe, or the Association informs you, that Association records are relevant to litigation, or potential litigation, then you must preserve those records until it is determined that the records are no longer needed. That exception supersedes any previously or subsequently established destruction schedule for those records.

### **III. MINIMUM RETENTION PERIODS FOR SPECIFIC CATEGORIES**

A. Organizational Documents. Organizational records include the Association's Articles of Incorporation, by-laws, and IRS form 1023, Application for Exemption. Organizational records should be retained permanently. IRS regulations require that the Form 1023 be available for public inspection upon request.

B. Tax Records. Tax records include but may not be limited to, documents concerning payroll, expenses, accounting procedures and other documents concerning the Association's revenues. Tax records should be kept for at least seven years from the date of filing the applicable return.

C. Employment Records/Personnel Records. State and federal statutes require the Association keep certain recruitment, employment, and personnel information. The Association should also keep personnel files that reflect performance reviews and any complaints brought against the Association or individual employees under applicable state and federal statutes. The organization should also keep in the employee's personnel file all final memoranda and correspondence reflecting performance reviews and actions taken by or against personnel. Employment applications should be retained for three years. Other employment and personnel records should be retained for seven years.

D. Board and Committee Materials. Meeting minutes should be retained in perpetuity in the Association's minute book or on its website. A clean copy of all other Board and Board Committee Materials should be kept for no less than three years by the Association.

E. Press releases/Public Filings. The Association should retain permanent copies of all press releases and publicly filed documents under the theory that the Association should have its own copy to test the accuracy of any document a member of the public can theoretically produce against the Association.

F. Legal files. Legal counsel should be consulted to determine the retention period of particular documents, but legal documents should generally be maintained for a period of ten years.

G. Marketing Documents. The Association should keep final copies of marketing documents for the same period of time it keeps other corporate files, generally three years.

H. An exception to the three year policy may be invoices, contracts, leases, licenses and other legal documentation. These

documents should be kept for at least three years beyond the life of the agreement.

I. Contracts. Final, execution copies of all contracts entered into by the Association should be retained. The Association should retain copies of the final contracts for at least three years beyond the life of the agreement, and longer in the case of publicly filed contracts.

J. Correspondence. Unless correspondence falls under another category listed elsewhere in this policy, correspondence should generally be saved for two years.

K. Banking and Accounting. Accounts payable ledgers and schedules should be kept for seven years. Bank reconciliations, bank statements, deposit slips, and checks (unless for important payments and purchases) should be kept for seven years. Any inventories of products, materials and supplies, and any invoices should be kept for seven years.

L. Insurance. Expired insurance policies, insurance records, accident reports, claims, etc should be kept permanently.

M. Audit records. External audit reports should be kept permanently. Internal audit reports should be kept for three years.

#### **IV. ELECTRONIC MAIL**

A. Email that needs to be saved should be either

1. printed in hard copy and kept in the appropriate file;
2. Or downloaded to a computer file and kept electronically.

B. The retention period depends on the subject of the email, as covered elsewhere in this policy.

#### **V. DOCUMENT PROTECTION**

A. Documents (hardcopy, online or other media) will be stored in a protected environment for the duration of the Document Retention Schedule. Computer backup media will be included.

## **VI. DOCUMENT DESTRUCTION**

A. Hard copies of documents will be destroyed by shredding after they have been retained until the end of the Document Retention Schedule.

B. Online copies will be destroyed by proven means to destroy such media after they have been retained until the end of the Document Retention Schedule.

C. At the end of the fiscal year there will be a review to determine documents up for review according to the Document Retention Schedule.

## WHISTLEBLOWER POLICY

If any Board Member or staff member believes that some policy, practice, or activity of the Arizona Students' Association is in violation of law, a written complaint must be filed by that individual or individuals with the Executive Director or the Chair of the Board.

It is the intent of the Association to adhere to all laws and regulations that apply to the Association and the underlying purpose of this policy is to support the Association's goal of legal compliance. The support of all board members and staff members is necessary to achieving compliance with various laws and regulations. A Board Member or staff member is protected from retaliation only if the individual brings the alleged unlawful activity, policy, or practice to the attention of the Association and provides the Association with a reasonable opportunity to investigate and correct the alleged unlawful activity. The protection described below is only available to board or staff members that comply with this requirement,

The Arizona Students' Association will not retaliate against a board member or staff member who in good faith, has made a protest or raised a complaint against some practice of the Association, or of another individual or entity with whom the Arizona Students' Association has a relationship, on the basis of a reasonable belief that the practice is in violation of law, or a clear mandate of public policy.

The Arizona Students' Association will not retaliate against board or staff members who disclose or threaten to disclose to a supervisor or public body, any activity, policy, or practice of the Arizona Students' Association that the board or staff member reasonably believes is in violation of a law, or a rule, or regulation mandated pursuant to law or in violation of a clear mandate of public policy concerning the health, safety, welfare, or protection of the environment.

Board Members and staff will receive notice of this policy and indicate that they have read over it and had the opportunity to ask questions.