

Expenditure Management

By

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Vice-President/Director 2012

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Application	This is a guideline that applies to members of the National Association for Cave diving (NACD) Board of Directors (BoD) and General Membership.
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Approval Authority	These guidelines are issued under the authority of NACD BoD
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Enquiries	Enquiries are to be forwarded to the NACD BoD through the Secretary/Treasurer
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Definitions

Secretary/Treasurer	The Secretary/Treasurer is the officer responsible for processing accounts payable and accounts receivable, maintaining records of financial holdings and preparing reports as governed by law and as directed from time to time by the NACD BoD
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Spending Authority

Spending authority consists of the following elements and as determined by the NACD BoD:

- expenditure initiation authority is the ability to make decisions to obtain goods or services that will result in the eventual expenditure of NACD member funds;
- commitment authority is the authority to confirm the availability of funds before a contractual arrangement is entered into to;
- authority to contract is the authority to enter into and sign contractual documents on behalf of the NACD Membership subject to restrictions imposed by the NACD BoD and any governing laws of state;
- authority to confirm contract performance and price is the responsibility of the NACD BoD or their delegated representatives to certify that goods have been received, work or services rendered and that the payment requested is according to the arrangements of the contract or is reasonable.

Policy Direction

Context

The expenditure management process consists of the following three major phases:

- **expenditure planning and initiation** - the most critical phase of the expenditure process comprised of three elements known as spending authority. It includes expenditure initiation, commitment control and contracting. All three elements must be performed prior to making a decision to spend NACD membership funds;
- **account verification** - a verification performed to ensure that all the terms of the contract or agreement that gave rise to the payment are satisfied and all aspects of the account are correct; and
- **payment** - a final review performed by secretary/ treasurer or other NACD BoD officer as a authorized representative to ensure the accuracy and legality of the account to be paid.

Policy Statement	<p>NACD membership funds must be managed and spent to meet established objectives in an efficient and cost-effective manner. NACD BoD Officers accountable to the NACD Members shall process, record and account for all planned and actual expenditures, accounts payable and any other financial commitments in a diligent, open and accountable manner.</p>
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Requirements	<p>Through policies and procedures for planned and actual expenditures, NACD BoD Officers accountable to the NACD Members shall ensure that:</p> <ul style="list-style-type: none"> ● NACD Membership funds are not misused; ● annual appropriation ceilings, allotment and fund limits are not exceeded; ● proper financial record keeping and accounting methods are used; ● accounts are settled in a timely fashion; and ● financial management processes and systems have proper internal controls.
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<p>Conflict of Interest</p>	<p>NACD BoD Officers accountable to the NACD Members shall not:</p> <ul style="list-style-type: none"> ● initiate, verify or certify a transaction for which they could personally benefit, directly or indirectly; or ● exercise signing authority with respect to a particular payment. for which they could personally benefit <p>Note - All NACD BoD Officers and NACD Members are subject to a <i>Conflict of Interest and Post Office Code of Conduct as it pertains to financial management of NACD Membership Funds</i></p>
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<p>Fraud</p>	<p>NACD BoD Officers accountable to the NACD Members should be familiar with the policy on losses of money, and offences and other illegal acts against the NACD as determined under federal and state laws as they pertain to a not-for-profit organization. If a NACD member or officer is found responsible for any loss to the NACD resulting from fraud, the loss will be recovered whenever possible. Fraud may result in disciplinary and administrative action. Any suspected offences must be reported to the NACD BoD.</p>
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Document Retention

All supporting documentation regarding a payment, such as contracts, receipt documents, invoices, certifications, membership fees and all other relevant documents, must be retained for a minimum of seven years or as required by federal and state laws. Documentation may be retained locally.

Unless otherwise directed by the NACD BoD, all original supporting documents are to be retained by the Secretary/Treasurer. Retention of documents policy continues to apply, regardless of the movement of NACD BoD Officers or organizational changes. The Secretary/treasurer may direct alternative storage arrangements, if required upon approval of the NACD BoD. In the event of organizational changes or any member holding the position of the Secretary/treasurer ceases to hold the position shall release to the NACD BoD any and all documents, materials and holdings as these are the property of the NACD. It is expected that such actions will be carried out in good faith regardless of circumstances of the change of position or organization.

Authority

Authority Table	The following table identifies the authorities responsible for implementing the policy.
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The ...	has/have the authority to ...
Secretary/Treasurer	<ul style="list-style-type: none"> • assure probity and compliance with financial legislation; • ensure effective systems support for resource allocation, and the effective control of NACD Membership funds; • ensure the implementation of and adherence to NACD policies; and • ensure that NACD financial information requirements are met.

Vice President	<ul style="list-style-type: none"> • develop NACD financial policy in coordination with the Secretary/Treasurer; and • write and present to NACD BoD on behalf of the members for approval financial guidelines, directives and instructions.
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Authorized Signing Authorities * Ex. President or assigned BoD other than the Secretary/Treasurer Operations Manager	<ul style="list-style-type: none"> • identify and approve required goods and services; • ensure funding is available and record the commitment in coordination with the Secretary/Treasurer; • enter into agreements to purchase goods and services as authorized by the NACD BoD; • verify accounts prior to payment; and • approve payment.
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