

Financial Manual

Policies and Procedures



FINANCIAL MANUAL POLICIES AND PROCEDURES

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Table of Contents

Section A - PURPOSE5

Section B - SCOPE.....5

Section C - INVOLVEMENT5

 Board of Directors and Finance Committee.....5

 President or Vice President5

 Business Manager5

 Treasurer.....5

 Financial Secretary5

 Office Management.....6

 Finance Committee6

Section D - STAFFING.....6

 Training.....6

 Background Checks.....6

 Business Continuity.....6

Section E – VOLUNTEER MANAGEMENT7

Section F – ACCOUNTING PROCEDURES7

 Recording Transactions.....7

 Business Year8

 Basis of Accounting Policy8

 Journal Entries.....9

 Bank Deposits10

 Bank/Financial Institutions Withdraws and Transfers10

 Bank Reconciliation11

 Monthly Close.....11

 Record Keeping (Hard Copy and Electronic Copy)12

Section G – INTERNAL CONTROLS14

 Lines of Authority14

 Conflict of Interest14

 Segregation of Duties15

 Physical Security.....15

Section H – FINANCIAL PLANNING & REPORTING16

 Budgets.....16

 Internal Financial Reports17

 Audit (and Tax Compliance).....17

 Quarterly/Annual Payroll Reporting17

Section I – BANK ACCOUNTS & FINANCIAL INSTRUMENTS18
Institutions18
Bank Account Types18
Credit Card, Debit Card18
In Third -Party Accounts (PayPal, Zelle, Eventbrite, and similar Services)18
Transfers To/From Bank Accounts19

Section J – CASH RECEIPTS/DEPOSITS/REVENUE/ACCOUNTS RECEIVABLES19
Cash Receipts – Dues and Other (not related to fundraisers or events).....19
Cash Receipts – Events and Fundraisers20
Deposits – Cash and Checks21
Deposits – Credit Card Processing Systems21
Receipt Book or Report22
Recording Receipts - Revenue22

Section K – PURCHASES/CASH /DISBURSEMENT/ EXPENSES
ACCOUNTS PAYABLE23
Purchase & Procurement23

Proposed Amendment Template Form24

A. Purpose

The Financial Management Policy and Procedures for the Grambling University National Alumni Association (“GUNAA”) are designed for the following:

- To protect the assets of the organization
- To ensure the maintenance of accurate records of the organization’s financial activities
- To provide a framework for the organization’s financial decision making
- To establish operating standards and behavioral expectations (especially when it is not mentioned in GUNAA’s Constitution and Bylaws)
- To serve as a training resource
- To establish operating standards and behavioral expectations
- To ensure compliance with federal, state, and local legal and reporting requirements

Effective fiscal policies and procedures result in three interrelated outcomes:

1. Informed discussion of the organization’s potential areas of risk and system needs,
2. Decision-making about an appropriate level of policies and procedures to address those risks and needs
3. Documenting those decisions and revisiting them regularly.

B. Scope

The scope of this document will include the following areas within Financial Management:

- | | |
|-------------------------|---|
| • Staffing | • Asset Management |
| • Accounting Procedures | • Procurement & Purchases |
| • Asset Management | • Expenses, Cash Disbursements & Accounts Payable |
| • Internal Controls | • Financial Planning & Reporting |
| • Revenue | • Cash Receipts, Donations/Gifts & Accounts Receivables |

C. Involvement

Discussion, alignment and annual reviews by the leadership (GUNAA Board members, GUNAA Finance Committee) and office personnel (Office Management staff) are the most important part of developing policies and procedures. The Board of Directors has ultimate approval of the broad policy decisions as recommended.

1. **GUNAA Board of Directors and Finance Committee** – serves as another set of eyes on the procedures to ensure that they adequately address the broad policy goal
2. **GUNAA President** - (or Vice-President in the absence of the President or when the President is the payee) has the responsibility to approve all request for payment
3. **GUNAA Business Manager** – has the responsibility to administer the policies and ensure compliance with the procedures once they have been approved by the Board of Directors. It is good practice to train staff regularly on the policies and procedures.
4. **GUNAA Treasurer** – Has the responsibility to sign checks and to ensure that they are recorded.
5. **GUNAA Financial Secretary** - Has the responsibility to ensure all funds are deposited and recorded.

6. **Office Management** - Provide feedback on the day-to- day procedural steps give insights to determine the most efficient and effective ways to implement a given policy direction.
7. **Finance Committee** – Consist of the 3 elected officers (Business Manager, Financial Secretary and Treasurer) along with any appointed group of volunteers by the GUNAA President who will provide recommendations on financial management policies and procedures for consideration by the GUNAA Board. Professional experience is desired in the following areas: external audit, internal audit, internal controls, accounting, financial analysis, controllership, accounting financial systems, forensic accounting, financial planning and business operations improvements.

D. Staffing

There should be a minimal level of staffing always available to administer, monitor and oversee the operations of GUNAA. Staffing can include a part-time, full-time, independent contractor or assignee by an employment agency that meets the minimum job qualifications and conditions noted in the job description at the time of signed employment agreement or contract of services by an authorized GUNAA Board member(s) as designated. Volunteer Management is covered in a separate section in the Appendix.

The responsibility matrix located in the appendix provides the responsibility for each individual or group in the financial management process.

1. **Training** – The Business Manager and Finance Committee shall determine the source of training options available for all staff and board members. Training should occur at the point of onboarding into a new role and every six (6) months thereafter. Training should include the use of technology, processes, and procedures necessary for effective operations and leadership in GUNAA.
2. **Background Checks** - The cost of background checks will be at the expense of the elected official and volunteer. For employees, this will be at the expense of the organization.

Role	Frequency/Cost
Volunteer Assignment	Optional, occur when financially feasible for the organization to pay for the expense
Elected Term	Optional, Bonding insurance will be used to mitigate risk for officers
Initial Employment	REQUIRED; the organization should conduct this for each employee

3. **Business Continuity** - The GUNAA Board shall review all viable and reasonable options and make a decision within a reasonable amount of time to fill the vacancy to avoid a prolong vacancy. It is not in the best interest of GUNAA to NOT operate below minimal staffing levels for any duration in order to maintain the viability of the organization and to mitigate potential risks, fraud or misuse, intentionally or unintentionally.

E. Volunteer Management

Volunteers will be treated with respect, trained (as needed), supervised, and provided with feedback that enable rewarding experiences associated with GUNAA. Volunteers should not receive compensation for their services (receiving compensation can turn into an employee/employer situation in the eyes of the law). Volunteer time has value; however, volunteers cannot deduct their time on their personal income taxes. Opportunities will be communicated with volunteers via mobile devices and other database solutions for scheduling and managing volunteer work flow and other purposes.

For the annual report, IRS Form 990, volunteer time is NOT reported as a contribution. (see also FASB Accounting Standards 116). However, it can be acknowledged on Part III, Statement of Program Service Accomplishments. Volunteers are not covered by workers compensation insurance. An option exists to purchase “volunteer accident insurance.” See Volunteer Policies in Appendix for more details.

F. Accounting Procedures

Basic accounting procedures used by the organization shall conform to Generally Accepted Accounting Principles (GAAP) to ensure accuracy of information and compliance with external standards.

1. **Recording Transactions** – QuickBooks is the book/system of record for recording all transactions, including those initiated from third party systems such as Zelle, Zeffy, ACH, CashApp, PayPal, Eventbrite, etc. (this is not an exhaustive list).
 - a. **Entering & Compiling Transactions:** The Financial Secretary shall be responsible for managing all incoming transactions, inputting transactions into the book/system of record, compiling data for reports, submitting financial reports to the GUNAA Board of Directors (BOD) and Office Manager on a bi-monthly basis and before the BOD meeting, and completing other prescribed duties noted in the job description.
 - b. **Reviewing & Approving Transactions:** Every month, the Financial Secretary, Treasurer, President, and Business Manager should be actively engaged to review and approve transactional activity and financial reports as determined within the Financial Management Policy and Procedures, and maintain proper segregation of duties. Any discrepancies should be immediately noted and addressed.

The Treasurer and Business Manager shall approve individual financial transactions (e.g., payments, reimbursements, transfers, deposits, and credit/debit card charges). For vouchers submitted for payment by the President, The Business Manager and Vice President will be the final approvers as supported by the annual budget.

All other vouchers will be routed to the President and business manager for final approval – as supported by the annual budget -cc the Financial Secretary to help with monthly reporting.

Any single transaction request >\$250 that is not supported by the approved budget will require a recommendation and a vote by the board of directors PRIOR to any reimbursement and/or distribution of funds.

The Treasurer performs transactions to release funds based on validation, and the Business Manager performs validation checks against budget line items. The Treasurer and Business Manager will provide approval for necessary seed monies, reimbursements, and payments, based on the budget, while utilizing a voucher system. They will continually oversee and monitor operations. Any transaction of \$250 or greater shall require approval from the President as well. The President will be provided with a monthly report of all approvals and will share input and make recommendations as necessary.

Anyone requesting reimbursement shall complete and submit voucher to the Treasurer and Business Manager for approval. Reimbursements will occur by the 15th and 30th of each month.

Reimbursements shall occur at the beginning and middle of the month unless there is an urgent request.

2. **Business Year** - The organization operates on a calendar year from January 1 to December 31.
3. **Basis of Accounting Policy:**
Policy: The organization uses the accrual basis of accounting. The accrual basis is the method of accounting whereby revenue and expenses are identified with specific periods of time, such as a month or year, and are recorded as incurred. This method of recording revenue and expenses is without regard to the date of receipt or payment of cash.

Procedures:

1. Throughout the fiscal year, expenses are accrued into the month in which they are incurred. The books are closed no later than the 14 business days after the close of the month.
2. Year-end books are closed no later than 30 business days after the end of the fiscal year.
3. Vendor invoices received after closing the books will be counted as a current-month expense unless the amount is greater than \$500 and a substantial level of detail is available to create a liability as an Accounts Payable.
4. At the close of the fiscal year, all expenses that should be accrued into the prior fiscal year are so accrued, to ensure that year-end financial statements reflect all expenses incurred during the fiscal year.
5. Revenue or received donations are always recorded in the month in which it was received or deposited. Any monies should be deposited within 48 hours of receipt.

4. **Journal Entries:**

Definition: Journal entries are double entries in the accounting system (debit & credit) recording the business transactions of the organization. The double-entry accounting system is a bookkeeping method where every financial transaction is recorded in at least two accounts, with a debit in one account and a corresponding credit in another. This dual entry ensures the fundamental accounting equation—Assets = Liabilities + Equity—remains balanced, providing a complete financial picture and facilitating error detection.

Policy: Journal entries for correction, reclassification and adjustments shall be posted prior to the end of each monthly closing period or immediately after a Board of Directors meeting.

If a journal entry is required after the month end close period (14 calendar days after the month ending), supporting documentation must be submitted for approval by the Business Manager. The approver must have written or electronic evidence of the approval prior to the entry in the system of record.

The Financial Secretary will record incoming funds in Quick Books into the appropriate budgeted line item.

The Treasurer will move funds virtually based on the banking transactions to ensure proper accounting in the appropriate bank account--- also based on the budgeted line item – completed within 30 days.

A journal entry modification can also be exercised with the approval of the BOD.

- a. A correction journal entry is to rectify the effect of an incorrect entry previously made.
- b. A reclassifying journal entry is a type of correction entry used to correct an incorrect classification used or to change the classification of an entry.
- c. An adjustment journal entry is to adjust account balances that involves an income statement account (revenue or expense) along with a balance sheet account (asset or liability) and typically relates to the accounts for accrued expenses, accrued revenue, prepaid expenses and unearned revenue.

Procedures:

1. The Financial Secretary is responsible for preparing and updating the journal entries into the system of record and ensures the appropriate line items are assigned.
2. The Financial Secretary reviews revenue and donation/gift related transactions. The Treasurer disburses based on the approved vouchers using the budget as the guide. The Business Manager ensures adherence to the budget and the overall financial health and recommends any course corrections.
3. Voucher Approvals shall be filed for audit by the Treasurer with President and Business Manager on copy.
4. For reoccurring and automated invoices, a one-time, yearly voucher should be filled and submitted for approval. Once approved, it will be filed for audit.

5. Bank Deposits

Policy: All bank deposits (checks, money orders, cashier checks, cash) for all accounts (checking, savings, annuities, if applicable) are made by the Office Manager, Financial Secretary, Treasurer, or President. Bank deposits should be done within 48 hours of receipt.

Electronic deposits shall be monitored by the Financial Secretary, Treasurer, Business Manager, and President. Bank alerts should also be a checks and balance feature used by these officers as well.

Procedures:

1. The Office Manager, Financial Secretary, Treasurer, Business Manager, and President should make copies and scan each check, money order, or cashier's check before making a deposit. The scanned copy or screenshot is emailed to the Financial Secretary, Treasurer, Business Manager, and President, then archived. Afterwards, the deposits can be made directly at the bank or by using a mobile app. All cash revenue will be documented with an email sent to the Financial Secretary, Treasurer, Business Manager, and President, then deposited in the appropriate bank account.
2. Electronic deposits are monitored by the Financial Secretary, Treasurer, and Business Manager. The Financial Secretary and Treasurer will generate monthly financial reports and submit to the BOD and Office Manager to archive.

6. Bank/Financial Institutions Withdraws and Transfer

Policy: All bank/financial institution withdrawals and transfers that are greater than \$250 and have a budgeted line item must be approved by the Business Manager and President.

Procedures:

Before a withdrawal or transfer is done, the voucher system must be utilized with the appropriate approval and signatures. Once approved, a copy of the voucher is sent to the Treasurer to be filed for audit. Quarterly, the Treasurer will provide the Office Manager a digital copy of all vouchers to be archived at National Office for 7 years. Office manager will digitally file documents using a naming convention that makes it easy to access the needed information for audit purposes.

Monthly or recurring bills do not require monthly approval, e.g., utility bills, gardener, and Subscriptions. A one-time yearly voucher is sufficient.

Additionally, no approval is needed when the Treasurer or Financial Secretary is required to transfer revenue to the appropriate GUNAA bank account.

7. Bank Reconciliations

Policy: All bank statements are sent electronically to the Financial Secretary and Treasurer. The President and Business Manager also have access as needed.

All accounts (checking, savings, annuities, if applicable) will be opened and reviewed promptly, minimum once per month. For bank statements mailed to the National Office, the Office Manager will open the bank statements, scan and store copies in the digital archive files, then an emailed copy will be sent to the Treasurer, Financial Secretary, Business Manager, President, and Vice-President. The Treasurer, Business Manager, and Financial Secretary can also log online to retrieve and review copies of the bank statements.

Bank reconciliation and approval will occur within 14 **business days of the month's close period**. Reconciliations of cash in the bank are a vital part of a good control environment.

Procedures:

1. The Treasurer will reconcile bank accounts. The Business Manager or a person not responsible for writing (disbursing funds) the checks and counting receipts, should verify all bank accounts upon receipt of the Treasurer's financial statements for accuracy.
2. The Internal Auditor will conduct a sampling twice per year against vouchers and bank accounts.
3. The External Auditor will conduct yearly audits on all financials.
4. The reconciliation should be done electronically by the Treasurer and submitted to both the Office Manager to file in the Archives and to the BOD by the next BOD meeting. Alternatively, the reconciliation can be performed in the accounting system of use if the functionality exists and include documentation of the bank statements and/or balances.
5. The reconciled total must equal the bank account total. All variances or discrepancies must be investigated and documented. There should be no unidentified explanations.
6. The Business Manager will review and approve reconciliation reports by electronically or wet signing and dating the report in the upper right-hand corner within 14 days of the reconciliation presentation.

8. Monthly Close

Policy: All transactions, including journal entries, must be posted in the system of record used for transactions. A financial review should be done according to the financial policies and/or internal controls by the 14th calendar day following month end close by the Financial Secretary. Financial reports from the Treasurer and Financial Secretary should coincide and be provided for review by the 14th business day of the following month.

**A business day is defined as Monday- Friday, excluding federal or state holidays.*

Procedures:

1. The Financial Secretary ensures that all transactions are entered into the book/system of record. e.g. QuickBooks
2. The Business Manager ensures all entered transactions are complete and accurate based upon the revenue and purchases made during the period. Any modifications are to be made in the system of record via journal entries. The Internal and External Auditor will require access as needed to conduct their work.
3. The Financial Secretary and Treasurer will provide system generated financial reports for view and sign-off by the Business Manager.
4. The financial reports are provided to the Board of Directors for review and approval.

9. Record Keeping (Hard Copy and Electronic Copy)

Record Retention Policy: Note the schedule below is based on the document type. All items are to be stored in a locked cabinet or restricted access area, external storage device, designated shared drive, or remotely, on a network of servers accessed through the internet, known as cloud storage.

Procedures:

1. All hard copy documents are to remain within compliance e.g. 2018 to current and should be stored in locked file cabinets, restricted access areas or at the authorized third-party off-site storage facility by the Office Manager
2. All electronic documents, including completed vouchers, are to be stored in a designated server host, cloud based that has restrictive access, or designated shared drive.
3. Any hard copies should be scanned to become an electronic document. Eg PDF file.
4. In rare occasions, third party off-site storage locations must be approved and authorized by the Board of Directors.
5. Any documents stored at the authorized third-party storage facility must be included on a complete and up to date inventory listing. The Office Manager, Financial Secretary, Treasurer, Business Manager, and President can only access these documents.

The Document Inventory Listing Must Contain a Minimum of the Following:

Document Name	Date of Creation or Last Modified	Purpose of Document	Document Source
Document Owner	Date Placed into Storage	Signoff by Financial Secretary, Treasurer, and Business Manager	Retention Type (permanent or 7 years)
Name of Person Submitting Document to Storage			

7. Any GUNAA member who is financial and in good standing can request a copy of a financial report from the Office Manager. All financial reports and documents must be approved by the President, Financial Secretary, Treasurer, and Business Manager before it is disseminated. Once approved, the requested document can be sent to the bona fide GUNAA member within 30 days. It should have the following disclaimer: *Confidentiality Notice: This e-mail message including any attachments, is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, copying, forwarding, disclosure, or distribution is strictly prohibited. If you are not the intended recipient, please contact the sender by reply e-mail, delete this e-mail from your computer, and destroy any copies in any form immediately*
8. Filing of documents should be completed at a minimum on a monthly frequency.
9. The Treasurer, Financial Secretary, Office Manager, and/or Business Manager should ensure all documents are properly stored and inventoried.
10. Any request by the Office Manager for documents designated to be shredded or destroyed based upon expiring the record retention policy must be reviewed by the Treasurer, Financial Secretary, Business Manager and President prior to any destruction. The inventory listing should be updated by the Office Manager.

All other documents not classified as permanent or seven (7) years should be retained a minimum 48 months or 4 years to cover to two terms of GUNAA administration teams.

PERMANENT	SEVEN (7) YEARS
<ul style="list-style-type: none"> • General Ledger • Payroll (journals, ledgers, W-2, 940) • Cash Receipts & Disbursements Journal • Depreciation Schedule • Annual Financial Reports • Finance Council Minutes • Corporate Legal Records, licenses • Legal Correspondence relating to Corporate Status • Special Contracts • Insurance Policies for General Liability 	<ul style="list-style-type: none"> • Accounts Receivables & Payables • Expense Reports, Invoices, Petty Cash Slips • Cancelled Checks, Bank Statements & Deposit Slips • Daily Cash Reports • Payroll Data & Correspondence not in Permanent Records • Accident Reports & Closed Claims • Insurance Policies Other Than General Liability • Insurance Correspondence & Related Files • Leases & Contracts (after terminations) • Monthly Financial Reports • Completed Vouchers • Personnel Files and Records (post-employment) • Personnel Applications, Resumes, Job Ads

	<ul style="list-style-type: none"> • Interoffice Correspondence • Miscellaneous (meeting reports, correspondence, etc.
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G. Internal Controls

The organization employs several safeguards to ensure that financial transactions are properly authorized, appropriated, executed and recorded. Internal controls are a set of policies and procedures to prevent deliberate or misguided use of funds for unauthorized purposes.

1. Lines of Authority

Policy: The President (or the Vice-President in the President’s absence) authorizes purchases and expenses. All disbursements must have dual approval, requiring signatures from the Treasurer and the Business Manager (or designated alternates), in accordance with established budget thresholds.

The Financial Secretary and Business Manager are responsible for recording and reporting revenue in alignment with the approved budget. Transactions that exceed established thresholds may require additional Board review, including the President’s approval.

2. Conflict of Interest

Policy: All employees, interns, and members of the Board of Directors are expected to exercise sound judgment, adhere to the highest ethical standards, and avoid any actual or perceived conflicts of interest.

A conflict of interest arises when an individual’s personal, professional, or business interests interfere, or appear to interfere, with the best interests of the organization. Both actual conflicts and the appearance of conflicts must be avoided.

Procedures:

1. Upon or before hire, election, or appointment each employee, Standing and Ad Hoc Committee Chair and Co-Chair, and Board member must provide a full written disclosure of all direct or indirect financial interests that could result in a conflict of interest. Examples include employer, business affiliations nonprofit memberships, or those involving family members or significant other(s). These disclosures will be kept on file and updated annually, and revised as needed.
2. Employees and Board members must disclose any interests in a proposed transaction or decision that may create a conflict of interest. Once disclosed, the employee, Board member, Committee Chair or Committee Co-Chair will be recused from participation in the decision-making process.
3. Conflict of Interest Disclosure Statement
 - Must be completed and be on file by all GUNAA Board Members, Finance Committee, Program Chair/ Co-Chair and Fundraising Committee Chair/Co-

Chairs by the second Tuesday of January annually, within 30 days of being appointed or at any time to disclose new information.

- The Business Manager shall ensure timely submission of all Annual Conflict of Interest Surveys and maintain them for review by an independent auditor or Board member upon request.
4. Should there be any dispute as to whether a conflict of interest exists:
- The Business Manager will make a recommend of the appropriate response.
 - The Board of Directors make the final determination whether a conflict of interest exists for the Business Manager, Committee Chair, Committee Co-Chair, or a member of the Board, and shall determine the final response.

3. Segregation of Duties

Policy: The organization’s financial duties are distributed among multiple people to help ensure protection from fraud and error. The distribution of duties aims for maximum protection of the organization’s assets while also considering efficiency of operations.

Procedures:

1. Individuals authorized to sign checks may not approve expenses or perform bookkeeping duties.
2. Individuals responsible for maintaining records may not also handle cash, deposits, or card processing.
3. Someone outside of the accounting function, such as the Office Manager, should open and log all checks received.
4. All incoming checks must be opened and logged by a staff member outside the accounting function.

4. Physical Security

Policy: The organization maintains and ensures physical and digital security of assets to ensure that only authorized personnel have access to money, securities, real estate and other valuable property.

Procedures:

1. **Blank Check Stock** - Stored in a locked cabinet with restricted access to Treasurer and President.
2. **Cash/Checks** - Bank deposits must be made daily during events, fundraising campaigns, chapter dues/fees submissions and other high peak periods, no less than weekly during non-peak periods. When overnight storage is necessary, funds must be secured in a locked safe with dual-access controls.
3. **Bank-Issued Credit & Debit Cards and Gift Cards**
 - a. Only authorized designated signers of a GUNAA bank account may be issued bank credit and debit cards.
 - b. Purchases made with credit and debit cards must follow the same approval and documentation requirements as checks disbursements.
4. **Technology**

- a. Passwords for accounting and event/donation/customer management software, email or other organizational software should not be shared or stored in unsecured locations.
- b. All passwords should be updated every 90 days.

H. Financial Planning & Reporting

1. Budgets

Policy: The GUNAA annual budget shall be prepared and approved each fiscal year for all departments and committees. The budget shall be prepared by the Business Manager and in collaboration with the Board Finance Committee. The budget must be approved by the Board of Directors and active association members prior to the start of the fiscal year.

Procedures:

An effective internal control is the preparation, presentation, and regular use of a budget that is compared to actual receipts and disbursements on a monthly basis, or at a minimum, quarterly. The following procedures shall be used.

1. The Business Manager shall prepare and submit a detailed budget to the Board of Directors and GUNAA active membership for review and approval, annually, prior to the start of the new fiscal year.
 - a. Assumptions used to develop the budget should be supported by historical transactions, prior experiences and other verifiable data.
 - b. In the absence of historical transactions, prior experiences or other verifiable data, the budget line item should be removed or only based upon a fraction of the previous year's budget amount.
2. An approved budget must be in place before the beginning of each fiscal year.
3. The Financial Secretary shall prepare a monthly statement of receipts and the Treasurer shall prepare a monthly statement of expenditures. These reports shall be compared to the budget. The Board of Directors shall approve this statement.
4. The Business Manager shall prepare a monthly budget-to-actual report provided by the Financial Secretary and the Treasurer. Significant variances shall be promptly investigated. At a minimum, the variances must include the following budget line items.
 - a. Fundraising & Program Activities — A budget and actual report must be created and maintained for the following:
 - i. All Fundraising Campaigns
 - ii. Program & Events - National Convention
 - iii. Program & Events - Homecoming
 - iv. Program & Events - Bayou Classic
 - b. Major purchases (Greater than \$500)
 - c. General Operations (Administrative, Travel, Maintenance, etc.)
 - d. Committee expenses

2. Internal Financial Reports

Policy: All reports must be finalized no later than twelve (12) business days after the close of the prior month.

Procedures:

1. The Financial Secretary, Treasurer, and Business Manager are responsible for producing the following year-to-date reports (as obtained from the Accountant) within twelve **(12) business days** after the close of each month: Statement of Financial Position, Statement of Activities, Budget to actual and updated Cash Flow Projection — when applicable.
 - a. Monthly: Statement of Activities, Statement of Financial Position, Budget vs. Actual, Cash Flow Projection, and/or program-specific reports
 - b. Monthly or Quarterly: Actual to Budget variances for each line item greater than +/- \$100 or +/-5% requires an explanation.
 - c. Year to Date: Actual vs. Previous Year's Actual to track the trending of financial events and explain any unusual items or amounts varying at significant levels.
 - d. The Board and Finance Committee shall review financial reports each month.
 - e. The Finance Committee shall present reports to the full Board of Directors monthly.

3. Audit (and Tax Compliance)

Policy: Annual audits shall be conducted by an independent, certified public accountant (CPA), licensed or authorized by the state of **Louisiana by June 30** following the end of the prior fiscal year (Dec 31).

Procedures:

The Financial Secretary, Treasurer, and Business Manager are responsible for producing the following year-to-date reports (as obtained from the Bookkeeper or accountant) within **12 business days** after the close of each month: Statement of Financial Position, Statement

1. There shall be a review of the CPA at a minimum of every six (6) years and a predetermined Policy and Procedures is to be used in obtaining a new one when necessary. The CPA shall prepare all federal, state, and local tax reporting, payroll, sales tax, etc. forms on the behalf of GUNAA.
2. The independent auditor shall provide the completed report to the Finance Committee and Board for review and responses prior to membership and public distribution.
3. Semi- annual or quarterly internal control self-assessments are recommended to evaluate the effectiveness and compliance of established internal controls, policies and procedures.

4. Quarterly/Annual Payroll Reporting

Policy: The Payroll tax reporting shall be processed and prepared internally.

Procedures:

1. The Office Manager shall prepare employee W2s by January 31 each year.
2. The Business Manager shall ensure accuracy and timeliness.

I. Bank Accounts & Financial Instruments

1. Institutions

1. Only Board approved individuals shall be authorized signers on all bank accounts.
2. All GUNAA funds shall be maintained in an FDIC bank account.

2. Bank Account Types

1. The following bank accounts shall be maintained by GUNAA: General Fund (operating accounts), Programming Funds (Life Membership and Scholarship Accounts).
2. General Fund: Receives dues, Program Receipts, unrestricted donations and annual transfers (each January) of interest earned from the Life Membership Accounts
3. Life Membership Account: Life Membership fees minus program expenses (certificates, cards, pins, etc.) shall be invested.
4. Scholarship Account: A restricted account for funds that dedicated for educational purposes for students attending Grambling State University (GSU). This account is administered by the Chair of the Scholarship Committee with the approval of the Board and the Finance Committee Chair.
5. All Investments, financial instruments and established bank accounts shall be approved by the Board of Directors.
6. All contracts over \$1000, obligating GUNAA shall be approved by the GUNAA Board of Directors or the membership body,

3. Credit Card, Debit Card

1. To limit the financial exposure in the event of unauthorized use, loss or theft, the credit debit or purchase card shall be linked to an account that has an available fund limit of the following:
 - a. A maximum of \$500 OR
 - b. \$500 maximum plus an additional amount equaling the purchase amount of an authorized purchase approved by the GUNAA Board.
 - c. In the event, a purchase is cancelled or delayed; the additional amount shall be transferred back to the originating account to reduce the Debit or Credit Card availability funds to \$500 until further notice.
 - d. Upon obtaining approval in accordance with the standard purchasing procedures noted in Section K, the card should shall have funds replenished up to the maximum level of \$500 based upon on approved.

4. Third – Party Accounts (PayPal, Zelle, Eventbrite, and similar services)

All third –party payment processing accounts used to collect or disburse GUNAA funds shall be established and maintained in the organization’s name only.

1. To Access credentials shall be limited to Board appointed individuals designated as account administrators.
2. All transactions processed through third-party accounts shall be reconciled at least monthly by the Treasurer or Business Manager and reported to the Finance Committee.

3. Funds collected through third-party accounts shall be transferred into an approved GUNAA bank account within five (5) business days of receipt or as soon as possible based on the limitation of the third-party platform.
4. Use of personal PayPal, Zelle, Eventbrite, or other similar accounts for GUNAA business is strictly prohibited.

5. Transfers To/From Bank Accounts

All proposed transfers between bank accounts, regardless of account type or restriction status, shall require documentation by the Treasurer noting the purpose and amount and with approval of the Board.

J. Cash Receipts

1. Cash Receipts – Dues and Other (not related to fundraisers or events)

The process of receiving cash and checks is highly regimented. This is because the task of processing checks is loaded with controls. They are needed to ensure that cash and checks are recorded correctly, deposited promptly, and not stolen or altered anywhere in the process.

Procedures:

A. Record Checks and Cash — Mail or In-Person Delivery

1. The Business Office Staff is responsible for promptly recording all received checks and cash using the standardized Daily Receipts Log immediately upon receipt (via mail or in-person delivery).
2. For each payment, the log must include: payer name, check number (if applicable), amount, payment method (cash, check, electronic), and the designated fund type (General, Scholarship, Life, Building, or other Board-approved fund).
3. Sign the Daily Mail & In-Person Receipts Form. Make two copies and/or send an electronic copy to the Financial Secretary, Treasurer and Business Manager.
4. At the close of each business day, the staff member will calculate and verify the total receipts, documenting the amount in the “Daily Total” field.
5. The responsible staff member must sign the log and provide electronic copies to the Financial Secretary, Treasurer, and Business Manager for review within 24 hours.
6. All checks must be immediately endorsed using the official GUNAA deposit stamp, which must include “For Deposit Only,” the bank name, account name, and account number.
7. All funds must be deposited daily by the authorized Business Office staff.

B. Safeguarding Funds

1. The Office Manager is to deposit all funds received on the date of receipt or locked in a safe until the next business day when time does the permit depositing on the same day.

2. Cash Receipts – Event and Fundraisers

Fundraisers can be a large source of income. Events, such as parties, galas, conventions, bingo, raffles, golf outings, etc. often involve large amounts of cash. The following procedures should be followed by entities involved in fundraising activities.

Procedures:

A. Involvement

1. For each fundraising or program event, the Finance Committee must appoint at least four unrelated individuals to manage the cash receipt process. Duties include collecting payments, safeguarding funds, and conducting initial counts.

These individuals may not have access to QuickBooks, bank accounts, or routine financial operations.

- a. One individual assigned to collect all cash/checks – should be bonded to accept cash.
 - b. One individual assigned to manage ticket distributions
 - c. One individual assigned as a runner/backup for collection
 - d. One individual assigned as verifier (e.g. pre-paid, re-entry, ticket validation)
2. The Financial Secretary, Treasurer, and Business Manager will continue oversight of revenue, financial monitoring, and reconciliation of receipts.

B. Collection Processes

1. Tickets should be sold from a centralized location whenever feasible to ensure stronger control and accountability.
2. Electronic payments (card readers, mobile pay, or event platforms) directly linked to the official GUNAA account must be prioritized to reduce cash handling. Personal accounts may never be used.
3. When cash is collected, a secured cash register or lock box must be used
4. Before the event begins, each collection station must be staffed with an assigned person, equipped with a cash box, electronic payment device, or other approved collection system. Beginning balances must be documented on the Cash Control Form.

C. Safeguarding Receipts & Unsold Tickets

1. Events to collect more than \$1,000 in cash must have a security officer or law enforcement present at all collection points. Online payments are highly recommended.
2. All funds must be taken immediately to a secure, designated area for counting.
3. Cash may not accumulate on the premises. Count and secure funds continuously during the event. Online payment collection is recommended.
4. Checks must be endorsed immediately “for deposit only” using the official GUNAA endorsement stamp. Online payment collection is recommended.
5. If immediate deposit is not possible, funds must be secured in a tamper-evident bank bag and placed in an approved night depository or locked safe.

6. All unsold tickets must be inventoried, reconciled, and securely stored. On line ticket sales are recommended.

D. Event Day Vendor Disbursements from Cash Receipts - Prohibited

1. All vendor payments must be processed through standard disbursement procedures (e.g. Check, ACH)
2. If a vendor requires cash payment, arrangements must be approved by the Finance Committee prior to the event. NO Funds may be taken directly from event day receipts

E. Final Count

1. The final count must be conducted in a secure area by authorized personnel, using a cash counter when available.
2. Security must remain in place until all funds are counted and secured
3. The Treasurer and Business Manager must be present to oversee the final count and reconciliation.
4. Cash Control forms and Daily Receipt Logs must be completed, signed, and attached to the funds.
5. Total Cash must be sealed in a tamper-evident bank bag and deposited within 24 hours.
6. Deposit slips and reconciliation reports must be submitted to the Financial Secretary for recording in the accounting system.
7. The event chairperson must prepare a detailed financial summary (receipts, disbursement, reconciliations) to be reviewed and approved by the Finance Committee within 10 business days.

3. Deposits – Cash and Checks

1. The Treasurer or authorized Business Office staff will prepare deposit documentation and ensure funds are deposited into the appropriate GUNAA account, designated by fund type (General, Scholarship, Life, Building, or other Board-approved funds).
2. All deposits must be made daily. If banking hours prevent same-day deposits (e.g., weekends or holidays), funds must be secured in a tamper-evident deposit bag and placed in the bank night drop or other secure depository within 24 hours.
3. Cash and checks may never remain onsite for longer than 24 hours without written authorization from the Treasurer and Business Manager.
4. All cash receipts must be deposited in full. No funds may be withheld for petty cash or convenience purposes.
5. The bank must receive written instructions that no checks are to be cashed upon presentation; all must be deposited directly into the appropriate GUNAA account.

4. Deposits – Credit Card Processing Systems

1. The Treasurer or designated Business Office staff must reconcile and deposit credit card receipts into the proper GUNAA bank account, categorized by fund type (General, Scholarship, Life, Building, or other Board-approved funds).

2. All third-party credit card receipts (e.g., event platforms, payment processors) must be transferred to the designated GUNAA account at least twice per week. Detailed processor reports must be used to record receipts in the accounting system, and reconciliations must be submitted to the Financial Secretary, Treasurer, and Business Manager for review.

5. Receipt Book or Report

1. All funds received by GUNAA must be receipted without exception. This applies to all purposes and fund types, including electronic payments.
2. Only authorized personnel (Financial Secretary or designated Business Office staff) may issue and document receipts for contributors or payors.
3. The Financial Secretary is responsible for ensuring all receipts are properly distributed and must include, at a minimum: payer's name, date, payment method (cash, check, credit/debit, electronic), fund designation, and purpose of payment.
4. Receipt records for General, Life Membership, Scholarship, Building Fund, or other Board-approved funds must include: contributor name, address, email, phone number, most recent GSU graduation year/semester (if applicable), event or campaign designation, and method of payment.
5. Copies of any supplemental letters, emails, or related documentation must be attached to the receipt record.
6. All receipt books, reports, and electronic records must be securely maintained at the National Office and backed up electronically.
7. The Financial Secretary is accountable for ensuring the completeness, accuracy, and timely filing of all receipt records.

6. Recording Receipts - Revenue

1. Once funds are receipted, they must be deposited by the Treasurer or authorized Business Office staff into the appropriate GUNAA bank account, based on contributor type or fund designation. Deposit and receipt recording duties must remain segregated to ensure internal control.
2. Revenue must be recorded in the accounting system (QuickBooks or its successor software) by authorized Financial Staff using receipt books, reports, or electronic records.
3. Cash receipts must be applied to outstanding invoices when applicable
4. The Financial Staff will use the accounting system to identify unpaid invoices and apply receipts according to the remittance advice provided by the customer.
5. If no designation is provided, payments must be temporarily recorded in a suspense or unapplied account within the customer record until proper allocation is determined.
6. All funds must still be deposited immediately. Supporting documentation (e.g., scanned copy of check or remittance) must be retained for later allocation.
7. Weekly revenue reports must be prepared and submitted by the Financial Staff to the Financial Secretary, Treasurer, and Business Manager no later than close of business each Monday.

8. The Financial Secretary must reconcile receipts, receipt logs, and the Revenue Report to confirm proper recording.
9. The Treasurer must reconcile the Revenue Report to actual bank deposits, deposit slips, and credit card processor reports.
10. The Business Manager must reconcile receipts, logs, Revenue Report, deposit slips, and processor reports to ensure accuracy across all records
11. Any discrepancies must be investigated immediately, documented in writing, and reported to the Finance Committee within 48 hours.
12. The Financial Secretary must prepare and submit a monthly Revenue Report to the GUNAA Board of Directors, including reconciliations, discrepancies, and corrective actions.

K. Purchases/Cash/Disbursements/Expenses/Accounts Payable

1. Purchases & Procurement

Procurement is the process of finding, agreeing terms and acquiring goods, services or works from an external source, often via a tendering or competitive bidding process.

1. Any expenditure over \$2,500 must have the approval of the Board of Directors before finalizing any contractual agreements, work is performed, or goods are purchased.
2. Any expenditure more than \$1,000 for the purchase of a single item should have bids from three (3) suppliers, if possible. Final Recommendation showing all bids will be reviewed by the Finance Committee the recommended vendor award must be specifically approved in advance by the Board of Directors.
3. All purchases require a Voucher Form be completed indicating the payment method of cash, check, debit card, online payment or credit card.
4. Additionally, a budget line-item review must be completed to ensure no budget overruns. For any imminent budget overrun, there must be Board approval. If no budget currently exists, there must be Board approval if the body is not in session.
5. The committee chair must preapprove committee members' expenses to ensure compliance within their budget line item PRIOR to voucher submitted to the Treasurer for reimbursement or payment of seed monies via approved payment methods. Officers must submit a voucher form for reimbursement or seed monies and must remain within budget line items.
6. Office Manager must submit a voucher for office supplies and other budgeted line items needed for day-to-day operations.
7. Hotel contracts are often secured for GUNAA members to attend sporting events. The National President is the only officer authorized to enter into a contract on behalf of GUNAA. If GUNAA is not financially obligated to seed monies, the National President can authorize the agreement without seeking Board approval, however, if the organization will be obligated in any WAY, the BOARD must approve said contract.

Use this form to submit amendments and/or suggested changes to the financial manual.



PROPOSED AMENDMENTS TO GUNAA FINANCIAL MANAGEMENT POLICIES & PROCEDURES

Submit the completed form to: **businessmanager@gunaa.org**

Section Name	Section Letter/Bullet	Section Number
e.g. Financial Planning & Reporting	H	1
<p>Current Policy & Procedure Language (exact text as it currently appears) e.g. The Board and Finance Committee report each month</p>		
<p>Proposed Amendment Changes: e.g. The Board and Finance Committee report each month.</p>		
<p>All Member Can Edit/Comments (for suggested changes to the proposed amendment) -- 30-day period)</p>		

Revision Process: An annual review should occur at the same time as the Constitution and Bylaws period. This will keep all GUNAA governing documents in synchronization. The process is to be led by the Business Manager.