



ARTICLE IV | BUSINESS AND SUPPORT SERVICES

SERIES 4000

This series is created by the Illinois ASBO Board of Directors to delineate the policies and procedures regarding management of the Association's financial affairs - including appropriate record keeping measures, revenue production, investments, budgeting, disbursement of funds, and other related matters.

In addition, support services functions of the organization also appear in a latter part of the series.

ARTICLE IV**BUSINESS AND SUPPORT SERVICES****SERIES 4000**

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* No adopted policy at present writing.

ARTICLE IV – BUSINESS AND SUPPORT SERVICES**4000****GOALS AND OBJECTIVES FOR BUSINESS/SUPPORT SERVICES**

Policy adopted: 03/18/2004

Policy reviewed: 02/23/2017

Policy amended: 04/06/2017

Policy renumbered: XX/XX/XXXX

It is the goal of the Board of Directors to use exemplary business practices in all of its operations. In exercising the fiduciary responsibilities of the Board of Directors, it will endeavor to provide the resources to meet the needs of the present and create a secure fiscal foundation that guarantees the existence of the Association in a wide range of future scenarios. The Executive Director/CEO in consultation with the Board of Directors will create the fiscal records and reports necessary to evaluate, plan and drive decision-making and will provide vehicles for reporting to the members on the financial operations of the Association.

BUDGET/BUDGETING SYSTEMS

Policy adopted: 03/18/2004

Policy reviewed: 02/23/2017

Policy amended: 04/06/2017

Policy renumbered: XX/XX/XXXX

An annual budget shall be adopted by the Board of Directors, which clearly sets forth a revenue plan that is realistic and adequate to meet the mission, goals and objectives/activities of the Association.

The Executive Director/CEO, serving in the capacity of Chief Financial Officer (CFO), shall be the chief budget officer and shall work in concert with the current Treasurer and Treasurer-Elect in preparing the budget. The Programs & Services Board Committee shall function in a review role, helping to define budget assumptions and serve as a sounding board for budgeting issues.

The budget shall realistically set forth all revenues and expenditures expected. When the prior year ends with a positive balance, this balance shall not be added to next year's resources but shall be maintained as a fund balance to be utilized for cash flow purposes or to be utilized when year end balances are negative.

The adopted budget must be balanced by showing anticipated transfers to and from the Association's fund balance.

ARTICLE IV – BUSINESS AND SUPPORT SERVICES**4111****BUDGET/BUDGETING SYSTEMS | PLANNING | FISCAL YEAR**

Policy adopted: 09/16/1981

Policy reviewed: 02/23/2017

Policy amended: 11/17/1994

Policy renumbered: XX/XX/XXXX

The fiscal year of the Association shall begin on the first day of July and end on the last day of June in each year.

Reference: Illinois ASBO Bylaws
Article I, Section 4

Policy adopted: 02/11/1992

Policy reviewed: 02/23/2017

Policy amended: 04/06/2017

Policy renumbered: XX/XX/XXXX

Under normal circumstances, the following steps and deadlines will be adhered to in developing and adopting the budget.

BOARD MEETING

February - April	The Programs & Services Board Committee will review status of current budget and review relevant critical historical revenue data.
	The Programs & Services Board Committee will receive a report on projected personnel needs and salary increase recommendations. A first draft of revenue needs/projections will be reviewed by the Programs & Services Board Committee and presented to the Board for first review.
April	First draft of full budget presented to the Board of Directors with recommendations for any membership dues changes, annual conference registration fees and exhibit booth increases.
May - June	Second review of full budget recommendation and adoption.
June	Additional review and adoption (if needed).

ARTICLE IV – BUSINESS AND SUPPORT SERVICES**4120****BUDGET/BUDGETING SYSTEMS | PREPARATION OF BUDGET DOCUMENT**

Policy adopted: 03/18/2004

Policy reviewed: 02/23/2017

Policy amended: 04/06/2017

Policy renumbered: XX/XX/XXXX

The budget shall be prepared in a format, consistent with the current chart of accounts.

The Executive Director/CEO shall organize, draft and submit the budget to the Treasurer and, when known, the Treasurer-Elect, along with an executive summary highlighting major changes, statement of basic assumptions and analysis.

ARTICLE IV – BUSINESS AND SUPPORT SERVICES**4130****BUDGET/BUDGETING SYSTEMS | REVIEW AND ADOPTION OF BUDGET**

Policy adopted: 03/18/2004

Policy reviewed: 03/18/2004

Policy amended: 04/02/2014

Policy renumbered: XX/XX/XXXX

There shall be a minimum of two reviews of draft budgets before a final budget is adopted.

BUDGET/BUDGETING SYSTEMS | BUDGET ADMINISTRATION

Policy adopted: 03/18/2004

Policy reviewed: 02/23/2017

Policy amended: 04/06/2017

Policy renumbered: XX/XX/XXXX

The administration of the adopted budget shall be the responsibility of the Executive Director/CEO. The Treasurer shall periodically review with the Executive Director/CEO the execution of the budget. Financial statements and reports shall be submitted to the Board of Directors at each scheduled meeting.

These reports shall include:

1. Financial Dashboards
2. Executive Summary
3. Balance Sheet
4. Income Statement

In addition to the reports above, the Treasurer shall receive:

5. Detailed Budget Comparison Report

All financial reports received by the Board of Directors shall be approved by the Board at its regular meeting.

BUDGET/BUDGETING SYSTEMS | BUDGET ADMINISTRATION | TRANSFER OF FUNDS

Policy adopted: 03/18/2004

Policy reviewed: 02/23/2017

Policy amended: 04/06/2017

Policy renumbered: XX/XX/XXXX

All transfer of funds not specified in the adopted budget must be approved by the Treasurer and reported to the Board of Directors.

The permanent transfer of funds from any special funds that may be created by the Board of Directors, must be approved by the Board of Directors, and meet any special conditions that a transfer requires that are set forth in existing policies and regulations governing those funds.

Policy adopted: 05/02/1984

Policy reviewed: 02/23/2017

Policy amended: 04/02/2014

Policy renumbered: XX/XX/XXXX

The budget document is a planning tool and, in some manner, an evaluation tool of the efforts of the Board of Directors and its staff. Therefore, every effort should be made so that items are correctly charged and budget plans can be evaluated.

It shall be the policy of the Board of Directors for staff to correctly code expenditures and revenue to the correct function and object. No contingency line items shall be created; however, certain “miscellaneous” budget accounts may be adopted within the budget.

Policy adopted: 03/18/2004

Policy reviewed: 02/23/2017

Policy amended: 04/06/2017

Policy renumbered: XX/XX/XXXX

It is the policy of the Board of Directors that when specific information concerning anticipated revenues and projected expenditures differ materially from the budgeting assumption, the Treasurer and Executive Director/CEO may recommend to the Board of Directors adjustments to the adopted budget at the next regular Board Meeting.

ARTICLE IV – BUSINESS AND SUPPORT SERVICES**4200****INCOME**

Policy adopted: 03/18/2004

Policy reviewed: 02/23/2017

Policy amended: 04/06/2017

Policy renumbered: XX/XX/XXXX

It shall be the policy of the Board of Directors to create income sources that will generate stable and sufficient revenue streams to accomplish the mission of the Association and adequately fund the activities that will support the accomplishment of adopted Association goals.

Revenue streams should be diversified in terms of membership dues, annual conference and workshop/seminar registration fees, charges for special services, related non-dues revenue, unrelated non-dues revenue, grants, contracts, leases and donations.

Income sources will be reviewed annually to insure that 1) the mix of revenue received does not jeopardize the 501(c)3 IRS designation, 2) the use of revenue does not jeopardize the sales tax exemption of the Association, 3) the dependence on one revenue source does not become critical to the total operation of the Association, 4) the revenue and expenditures for each stream meet or exceed those stated in the action plans of the Association, and 5) the Board of Directors are aware of any revenue source that could potentially be categorized as Unrelated Business Income.

ARTICLE IV – BUSINESS AND SUPPORT SERVICES**4210**

INCOME | MEMBERSHIP DUES

Policy adopted: 09/16/1981

Policy reviewed: 02/23/2017

Policy amended: 03/18/2004

Policy renumbered: XX/XX/XXXX

The membership dues for each membership classification shall be affirmed or adjusted during the budget development process established in the budget calendar (Policy 4112).

The membership period for all membership classifications, excluding Student Premier, shall begin the first day of the month in which dues are received and extend for the next 12 consecutive months.

Members who fail to renew their membership as defined by their membership classification shall have their services discontinued 60 days following the expiration of their membership.

Members who renew their membership within 60 days following their anniversary date shall still be considered a "continuous member."

Reference: Illinois ASBO Bylaws
Article V, Section 2

ARTICLE IV – BUSINESS AND SUPPORT SERVICES**4220****INCOME | REGISTRATION FEES**

Policy adopted: 09/16/1981

Policy reviewed: 02/23/2017

Policy amended: 03/18/2004

Policy renumbered: XX/XX/XXXX

The Bylaws of the Illinois Association of School Business Officials provides that, "The Board of Directors is authorized to charge a registration fee for the Annual Conference. The Executive Director shall recommend to the Board of Directors the amount of the registration fee." This recommendation shall be given when the budget for the next fiscal year is adopted.

Reference: Illinois ASBO Bylaws
Article X, Section 1

ARTICLE IV – BUSINESS AND SUPPORT SERVICES**4240****INCOME | NON-DUES REVENUE**

Policy adopted: 09/16/1981

Policy reviewed: 02/23/2017

Policy amended: 04/06/2017

Policy renumbered: XX/XX/XXXX

The Board of Directors recognizes that certain of its activities will be of service to nonmembers, unaffiliated organizations and school districts.

The Board of Directors believes that in the interest of good management for its membership, some of these services may provide non-dues revenues to support the Mission of the Association and the definition of a 501(c)3 IRS designation.

Consequently, the Executive Director/CEO will develop an administrative regulation that identifies the characteristics and creates criteria that can be used by the Association as it considers new revenue producing activities. The administrative regulation shall also provide guidelines and procedures for establishing appropriate fee structures that will cover the Association's costs and overhead to generate such revenue.

ARTICLE IV – BUSINESS AND SUPPORT SERVICES**4250****INCOME | UNRELATED BUSINESS INCOME**

Policy adopted: 03/18/2004

Policy reviewed: 02/23/2017

Policy amended: 04/06/2017

Policy renumbered: XX/XX/XXXX

The Board of Directors may, from time-to-time, create business activities that are not directly related to the mission of the association and are established specifically to generate revenue to support its 501(c)3 purposes. When such unrelated business activities are developed, the Board of Directors will carefully examine the Federal and State tax implications and the impact such taxes could have on the Association.

ARTICLE IV – BUSINESS AND SUPPORT SERVICES**4260****INCOME | GRANTS**

Policy adopted: 03/18/2004

Policy reviewed: 02/23/2017

Policy amended: 04/06/2017

Policy renumbered: XX/XX/XXXX

The Board of Directors encourages its staff to search for grants from governmental and private philanthropic organizations that could be used to further the cause of the school business management profession.

All grant applications must be approved by the Board of Directors.

Successful grant applications will undergo the scrutiny of a final review before signing contracts and/or accepting funds.

INCOME | FOUNDATION

Policy adopted: 03/18/2004

Policy reviewed: 02/23/2017

Policy amended: 09/06/2017

Policy renumbered: XX/XX/XXXX

The Illinois ASBO Foundation was created to elevate the status of the profession of school business administration, to enhance the visibility of the “value” a school business manager brings to a school/school district, to provide college scholarships or support the foundations or school district initiatives of award recipients, and to provide financial grants to community services, policy and research initiatives or charitable organizations that serve children.

The Illinois ASBO Board of Directors will encourage all members of Illinois ASBO to be generous in donations, enabling the Foundation to:

1. Recognize members for their excellent performance,
2. Highlight district office teams for their best practices in school business management,
3. Bring financial support to high school students, local foundations or district initiatives in the name of Illinois ASBO award recipients and past presidents and directors,
4. Support organizations that provide programs and services to children through charitable grants,
5. Aid research and policy initiatives in school business management and school finance,
6. Support functions related to organizations such as ASBO International.

Foundation Governance

The Foundation is governed by a Board of Governance consisting of the following members:

1. Executive Director/CEO (*Administrator of the Foundation*) – 1
2. Deputy Executive Director/COO – 1
3. Immediate Past President for a 2-year term – 2
4. Illinois ASBO Directors for 3-year staggered terms each appointed by the Illinois ASBO President. (*This will be reserved for former directors who are not going forward as Treasurer/President Elect/President/Past President. Should there be a vacancy, the Illinois ASBO President will appoint a current or past Director or Officer*) [Begins in 2018] – 6
5. Service Associate Advisory Committee Members for 3-year staggered terms each appointed by the Illinois ASBO President. (*This will be reserved for the third year SAAC member not going forward as Vice Chair. Should there be a vacancy, the Illinois ASBO President will appoint a current or past SAAC member*) [Begins in 2018] – 3
6. Service Associate Members for a 3-year term staggered term, each appointed by the Illinois ASBO President – 2
7. Active School District Members for a 3-year term each appointed by the Illinois ASBO President (Number to be variable to balance the addition of Foundation Partners based on item 8 below) – Variable
8. Foundation Partners for a 3-year term beginning September 1 following their second consecutive partnership event (*Foundation Partners may appoint a different individual to a successive 3-year term for ongoing participation as long as the entity remains a Partner*) – Variable

The full Board of Governance shall meet at least once annually and more often as required by Foundation activities. The Board of Governance shall oversee all approved Foundation activities, fundraising efforts, donor categories, partnership programs, and distribution of awards. Minutes of all full Board of Governance meetings shall be submitted to the Illinois ASBO Board of Directors.

Changes to Foundation activities, fundraising, donor categories, partnership programs and award categories may be recommended by the Foundation Board of Governance, but must be approved by the Illinois ASBO Board of Directors.

Sub-Committees may be established to meet as often as necessary to support various Foundation activities. Members of sub-committees shall be selected from the Board of Governance based on interest and potential impact.

Types of Foundation Awards

The Foundation improves the status of the profession through various types of recognition, scholarships and charitable contributions. Following are the award categories currently approved by the Illinois ASBO Board of Directors.

1. Recognition awards to individuals who are at the leading edge of creating current best practices in school business management (i.e. Monarch Award, Lighthouse Award, Ronald E. Everett Distinguished Service Award, Above and Beyond Award, President's Award, and Executive Director's Award).
2. Recognition awards to schools/school district business office teams whose innovations clearly add value to the efficient and effective operation of their educational agency (i.e. Lighthouse Award).
3. Support Awards to foundations or district initiatives of award recipients.
4. Scholarships to students from districts of award recipients.
5. Scholarships to students in school business management programs.
6. Annual Conference housing and registration scholarships to attend the Illinois ASBO Annual Conference.
7. Charitable donations to other organizations supporting research and policy initiatives or charities that benefit children.
8. Memorial scholarships to support both school district and service associate members and their families.
9. Leadership Institute scholarships designed to underwrite the cost of the Institute for both school district and service associate members.
10. Membership scholarships to members and students who are temporarily out of employment.
11. Membership scholarships to districts that are financially troubled.
12. Scholarships for professional development workshops.
13. Contributions to events designed to support placing Illinois ASBO leaders in positions of influence beyond the state of Illinois (e.g. ASBO International).
14. Contributions to individuals or organizations impacted by specific tragedies, such as natural disasters.

INCOME | INCOME MANAGEMENT | INVESTMENTS

Policy adopted: 09/16/1981

Policy reviewed: 02/23/2017

Policy amended: 11/16/2017

Policy renumbered: XX/XX/XXXX

The Board of Directors has a fiduciary responsibility to its members to properly manage fund balances, which may occur from time to time in various accounts. Following is the current Investment Policy Statement:

The purpose of this Investment Policy Statement (IPS) is to outline the goals and investment objectives for the Association, as well as the guidelines for investing funds and the responsibilities of the various parties involved.

I. Responsibilities of the Representatives

A. The Board of Directors

As fiduciaries, the members of the Illinois ASBO Board of Directors are ultimately responsible for the IPS. They have delegated the primary responsibilities to Illinois ASBO appointed staff. They are responsible for:

1. Approval of the Investment Advisor as recommended by the Staff.
2. The initial approval of the IPS and annual re-approval of the IPS.
3. Approval of the Staff members who will be authorized individuals for each account.
4. Annually review portfolio and investment performance.

B. Association appointed staff includes the Executive Director/CEO, the Deputy Executive Director/COO and the Finance Director.

The primary duties of Illinois ASBO appointed staff are as follows:

1. Establish the IPS and present to the Illinois ASBO Board of Directors for approval.
2. Maintain a review process for this policy and any approvals stated within.
3. Approve portfolio investments and changes that are within the constraints of the IPS.
4. Record all activity reported on the monthly investment statements to the general ledger.
5. In the event Illinois ASBO appointed staff disagrees on an action, the Committee will refer the matter to the Illinois ASBO Board of Directors.
6. Provide an annual review portfolio and investment performance to the Board of Directors.

C. The Investment Advisor

It is the Investment Advisor's responsibility to select prudent investment managers to manage the assets. Such managers may include regulated banks or insurance companies, mutual funds registered under the Investment Company Act of 1940, or registered investment advisors. Each investment manager is expected to manage Illinois ASBO's assets in a manner consistent with the

investment objectives, guidelines, and constraints outlined in this IPS and in accordance with applicable laws. This obligation includes discharging responsibilities with respect to Illinois ASBO consistent with 'Prudent Investor' standards and all other applicable fiduciary regulations and requirements.

Other responsibilities of the Investment Advisor include:

1. Recommend actions to be taken when the portfolio becomes out of compliance with the IPS.
2. Assist the committee in strategic planning by providing assistance in developing an investment policy, an asset allocation, and portfolio structure.
3. Provide Monthly Statements to the Illinois ASBO Treasurer and Staff.
4. Provide Quarterly Performance Reports to Illinois ASBO Appointed Staff.
5. Provide Semi- Annual Performance Reports to the Illinois ASBO Board of Directors.
6. Ensure that the portfolio is in compliance with this IPS and recommended rebalancing actions to Illinois ASBO Appointed Staff to be taken when necessary.

II. Investment Objectives

The investment objectives will be aligned with the needs of each fund category (unrestricted, temporarily restricted and permanently restricted). Illinois ASBO will maintain three separate accounts with the following objectives.

Operating

The Operating Account will maintain an objective of principal protection and will hold funds that are not restricted in any way. Allowable investment products for this account are FDIC insured money market accounts (MMA) and FDIC insured Certificates of Deposit (CD), US Treasuries and fixed income products, Mutual Funds and Stock (with specific approval of the Board of Directors). The allocation of the funds between MMA and investments and the terms of the investments will be determined by the Staff based on expected cash flow within the limitations of Section IV.

Temporarily Restricted – Foundation

The Temporarily Restricted Account will maintain an objective of generating minimal income with principal protection and will hold funds that are restricted by Donors for a specific purpose. Allowable investment products for this account are FDIC insured Money Market Accounts (MMA) and FDIC insured Certificates of Deposit (CD), US Treasuries and fixed income products, and equity products. The allocation of the funds between MMA, CD and fixed income and the terms of the CD's and fixed income will be determined by the Staff based on expected cash flow within the limitations of Section IV.

Temporarily Restricted – Lease Revenue from NIU

The Temporarily Restricted Account will maintain an objective of generating minimal income with principal protection and will hold funds that are restricted by Donors for a specific purpose. Allowable investment products for this account are FDIC insured money market accounts (MMA) and FDIC insured Certificates of Deposit (CD), US Treasuries and fixed income products, and equity products. The allocation of the funds between MMA, CD and fixed income and the terms of the CD's and fixed income will be determined by the Staff based on expected cash flow within the limitations of Section IV.

Permanently Restricted

The Permanently Restricted Account will maintain growth as an objective and will hold funds that are restricted by Donors in a manner such that the principal amount of the donated funds can never be spent. Earnings will be considered unrestricted unless specified by the Donor as temporarily restricted. Allowable investment products for this account are FDIC insured money market accounts (MMA), FDIC insured Certificates of Deposit (CD), fixed income products, equity products and alternative investments. The allocation of the funds between MMA, CD, fixed income, equities, and alternative investments and the terms of the CD's and fixed income products will be determined by Section IV.

III. Investment Strategy

Investments must be reviewed according to the Investment Policy statement. The investment style and discipline must be consistent with that account's primary investment objectives and expectations. The fees must be reasonable and the investment manager must show a level of experience pursuant to managing the organization's funds. Consideration should be given to consistency of performance and level of risk taken to achieve results. Considerations should be made for investments focusing on Illinois ASBO's mission.

IV. Constraints

A. Maximum Asset Allocation

	Operating Account	Temporarily Restricted Account(s)	Permanently Restricted Account
Money Market Account	100%	100%	100%
CDs (FDIC Insured)	100%	100%	100%
Fixed Income	100%	100%	100%
Equity	10%	35%	35%

B. Maximum Maturity

	Operating Account	Temporarily Restricted Account	Permanently Restricted Account
Money Market Account	N/A	N/A	N/A
CDs	24 Months	5 years	10 years
Fixed Income	24 Months	5 years	10 years
Equity	N/A	N/A	N/A

C. Allowable investments

Type	Credit Quality Restrictions
U.S. Treasuries	N/A
Municipal Bonds	A- or better at initial investment
Corporate Bonds	A- or better at initial investment
Money Market Funds	FDIC Insured
Brokered CD's	FDIC Insured, quantity below \$250,000 per issuer
Donated Stock	N/A
Exchange Traded Funds	N/A
Mutual Funds	N/A
Individual Stocks	N/A

D. Prohibited Investments *

1. Auction Rate Preferred
2. Bankers Acceptances
3. Futures Contracts
4. Options Contracts
5. Investments in Foreign Currencies
6. Derivatives
7. Swaps
8. Hedge Funds
9. Private Equity
10. Illiquid investments that do not price daily

**Investments included here are prohibited as direct investments. There may be times where some of these investments are included in a mutual fund as a hedge. Illinois ASBO reserves the right to invest in a mutual fund that may use some of the above as a hedge.*

E. Prudence

The prudent person standard shall be applied to the management of the portfolio. This standard states; "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the expected income to be derived."

F. Ethics and Conflicts of Interest

Any person with the authority to initiate investment transactions shall refrain from personal business activity that could conflict with the proper execution of this investment policy, or that could impair their ability to make impartial decisions. Any such person shall disclose any financial interest in any financial institution with which Illinois ASBO conducts business or is otherwise considering business to the Illinois ASBO Board of Directors.

V. Performance Evaluation

Illinois ASBO Appointed Staff will evaluate the success of the portfolio according to its goals, which are safety first, liquidity second, yield third. Portfolio performance will be reported against a benchmark based on similarly performing assets and the overall market.

VI. Guidelines for Corrective Action

The Investment Advisor will recommend changes to the portfolios to Illinois ASBO Staff based on factors including, but not limited to, being out of compliance with the IPS, underperformance of a certain product or underperformance of a certain fund manager. The Investment Advisor will take no action without prior approval of Illinois ASBO Staff.

VII. Review of IPS

This IPS will be reviewed every three years in the cycle of policy review or more often as required by the Illinois ASBO Board of Directors.

INCOME | INCOME MANAGEMENT | DEPOSITORY

Policy adopted: 12/15/1987

Policy reviewed: 02/23/2017

Policy amended: 04/06/2017

Policy renumbered: 03/18/2004

Revenues shall be deposited by the Executive Director/CEO or his/her designee in a timely manner.

The approved depositories are:

- First Midwest Bank
- Merrill Lynch

INCOME | INCOME MANAGEMENT | DEPOSITORY | USING CREDIT CARDS FOR COLLECTIONS

Policy adopted: 03/18/2004

Policy reviewed: 02/23/2017

Policy amended: 04/02/2014

Policy renumbered: XX/XX/XXXX

The Board of Directors authorizes the staff to maintain a credit card collection capability. Such a system should seek out the lowest transaction fees possible to ensure that maximum revenue benefits accrue to the Association. The number of credit cards used for collection shall be determined by staff.

Currently accepted: MasterCard, Visa, Discover and American Express.

ARTICLE IV – BUSINESS AND SUPPORT SERVICES**4290****INCOME | EARMARKING REVENUES**

Policy adopted: 03/18/2004

Policy reviewed: 02/23/2017

Policy amended: XX/XX/XXXX

Policy renumbered: XX/XX/XXXX

The Board of Directors may create or identify existing revenue streams and specifically dedicate all or a specific portion to be used to support all or in part any program or service of the Association.

ARTICLE IV – BUSINESS AND SUPPORT SERVICES**4300****EXPENDITURES**

Policy adopted: 09/16/1981

Policy reviewed: 02/23/2017

Policy amended: 11/17/1994

Policy renumbered: XX/XX/XXXX

It is recognized that in promoting the growth of the organization and services to its membership, certain operating expenses shall be incurred. The Board of Directors, however, shall at all times be mindful of its obligation to safeguard the assets of the organization.

EXPENDITURES | PURCHASING AUTHORITY

Policy adopted: 09/16/1981

Policy reviewed: 02/23/2017

Policy amended: 04/06/2017

Policy renumbered: XX/XX/XXXX

The purchasing authority of the organization is the responsibility of the Executive Director/CEO.

To facilitate the procurement of the products and services needed for the effective and efficient operation of the Association, payments may be made by using the following:

1. Cash (only when documented with a receipt)
2. Check (supported by voucher and receipt)
3. Credit Cards (Shell Oil Company)
4. p-Card (Harris/BMO MasterCard)

The parameters for the use of credit cards and p-Cards shall be established by the Executive Director/CEO in consultation with the Treasurer.

ARTICLE IV – BUSINESS AND SUPPORT SERVICES**4320****EXPENDITURES | PAYMENT OF INVOICES**

Policy adopted: 09/16/1981

Policy reviewed: 02/23/2017

Policy amended: 04/06/2017

Policy renumbered: XX/XX/XXXX

The Executive Director/CEO, or his designee, approves all invoices except for his/her own expense reimbursements, which shall be approved by the Treasurer.

EXPENDITURES | TRAVEL EXPENSES

Policy adopted: 09/16/1981

Policy reviewed: 02/23/2017

Policy amended: 04/06/2017

Policy renumbered: XX/XX/XXXX

The Board of Directors believes that any authorized person, when engaged in the performance of official business for the Association, should be reimbursed for such reasonable expenses incurred in such assignments.

The Board of Directors believes that to properly justify expenditures of this nature, clear and definite rules for the reimbursement of travel expenses should be established.

The Executive Director/CEO of the Association is directed to develop an administrative regulation, which will set forth the mechanics for the authorized reimbursement of these expenses.

EXPENDITURES | TRAVEL EXPENSES

Policy adopted: 09/16/1981

Policy reviewed: 02/23/2017

Policy amended: 03/03/2011

Policy renumbered: XX/XX/XXXX

A. GENERAL PROVISIONS

The policy of the Illinois ASBO Board of Directors established that any agent of the Association, when engaged in the performance of official business for the Association, will be reimbursed for such reasonable expenses occurred in such assignments.

1. Lodging—Any person who must obtain lodging in connection with Association business shall be reimbursed for the cost of a single room. Room receipt must accompany "Request for Reimbursement."
2. Meals—Actual reasonable expenses for meals (receipt required) shall be reimbursed or the per diem/meals rate established by the U.S. General Services Administration (GSA), Domestic Maximum per Diem Rates. Alcoholic beverages will not be reimbursed.
<http://policyworks.gov/org/main/mt/homepage/mtt/perdiem/perdiem.cfm?st=ILLINOIS&yr=2003>
3. Travel by Public Carrier—Expenses incurred for travel by bus, railroad or plane shall be reimbursed at actual cost. Receipt must accompany "Request for Reimbursement."
4. Travel by Personal Automobile—Reimbursement shall be in the amount in line with IRS Regulations. Parking and tolls will be reimbursed. When automobile travel is paid by the Association and two or more members attend a meeting, arrangements should be made to reduce the number of cars used for travel.
5. Travel expenses under \$30, which need no receipt, would be taxi, parking, road tolls, etc.
6. When deemed necessary, more expedient and economical, a rental vehicle may be substituted for other forms of ground transport. The Association shall reimburse for reasonable auto rental expenses with receipts.

ARTICLE IV – BUSINESS AND SUPPORT SERVICES**4410**

ACCOUNTS/SYSTEMS | AUDITS

Policy adopted: 09/16/1981

Policy reviewed: 02/23/2017

Policy amended: 03/03/2011

Policy renumbered: XX/XX/XXXX

At the close of each fiscal year, the financial accounts and records of the Illinois Association of School Business Officials shall be audited according to generally accepted auditing standards by a qualified Certified Public Accountant.

ACCOUNTS/SYSTEMS | BUDGETING

Policy adopted: 09/16/1981

Policy reviewed: 02/23/2017

Policy amended: 04/06/2017

Policy renumbered: XX/XX/XXXX

The Executive Director/CEO, in consultation with the Treasurer, is hereby directed to establish and maintain a Chart of Accounts to facilitate the budget planning, preparation, administration, and reporting of the financial health of the Association.

The Chart of Accounts shall be approved by the Board of Directors at the time the budget is adopted.

The Chart of Accounts may be amended during the fiscal year and accounts may be added as long as they are sub accounts for further delineation of expenses. When sub accounts are created, the budget of the primary account may be divided among the new sub accounts but the total budget of all sub accounts may not exceed the approved primary account budget.

ARTICLE IV – BUSINESS AND SUPPORT SERVICES**4460**

ACCOUNTS/SYSTEMS | FUND BALANCE GOAL

Policy adopted: 02/25/1988

Policy reviewed: 02/23/2017

Policy amended: 04/06/2017

Policy renumbered: XX/XX/XXXX

The fund balance goal related to “financial security” to the Association for the purpose of this policy is defined as 50% of the total annual expenditures from the most current financial audit.

ACCOUNTS/SYSTEMS | RESERVES

Policy adopted: 01/20/1993

Policy reviewed: 02/23/2017

Policy amended: 04/06/2017

Policy renumbered: XX/XX/XXXX

It is the policy and practice of the Illinois ASBO Board of Directors to maintain the following reserves:

- Future Facilities Fund
- Illinois ASBO Foundation

The Board of Directors may create other reserves as it deems appropriate.

ARTICLE IV – BUSINESS AND SUPPORT SERVICES**4490**

ACCOUNTS/SYSTEMS | FUTURE FACILITIES FUND

Policy adopted: 03/18/2004

Policy reviewed: 02/23/2017

Policy amended: XX/XX/XXXX

Policy renumbered: XX/XX/XXXX

It is the policy of the Board of Directors of Illinois ASBO that 100% of all lease revenue received from Northern Illinois University for space it leases from the Association at 108 Carroll Avenue, DeKalb, Illinois not needed to retire debt created to build its headquarters building at 108 Carroll Avenue, DeKalb, Illinois, shall be invested in a separate Future Facilities Fund to be used along with any interest earned for providing adequate facilities at some future date.

These funds are exclusively to be used for providing future facilities and can only be diverted for another use by an affirmative vote of 75% of the Board of Directors at an official meeting of the Board of Directors after due notice has been given to the general membership of pending use.

ARTICLE IV – BUSINESS AND SUPPORT SERVICES**4510**

SUPPORT SERVICE OPERATIONS | JOB PLACEMENT SERVICES

Policy adopted: 09/16/1981

Policy reviewed: 02/23/2017

Policy amended: 04/06/2017

Policy renumbered: XX/XX/XXXX

It shall be the policy of the Association to assist its members and potential members in locating and securing professional positions. To that end, the Association will develop and provide job vacancy notification as recommended by the Executive Director/CEO and approved by the Board of Directors.

ARTICLE IV – BUSINESS AND SUPPORT SERVICES**4540****SUPPORT SERVICE OPERATIONS | INSURANCE/OFFICER BONDS**

Policy adopted: 09/16/1981

Policy reviewed: 02/23/2017

Policy amended: XX/XX/XXXX

Policy renumbered: XX/XX/XXXX

It shall be the policy of the Illinois Association of School Business Officials to indemnify and protect the Association, the members of the Board, employees, and volunteer personnel against suits for damages sought for negligence or wrongful acts alleged to have been committed in the scope of their employment, or under the direction of the Board of Directors.

SUPPORT SERVICE OPERATIONS | DOCUMENT RETENTION AND DESTRUCTION

Policy adopted: 03/05/2009

Policy reviewed: 02/23/2017

Policy amended: 04/06/2017

Policy renumbered: XX/XX/XXXX

This policy identifies the record retention responsibilities of staff, volunteers, members of the Board of Directors and outsiders for maintaining and documenting the storage and destruction of the Association's documents and records.

1. **Rules.** The Organization's staff, volunteers, members of the Board of Directors and outsiders (i.e., independent contractors via agreements with them) are required to honor these rules: (a) paper or electronic documents indicated under the terms for retention below will be transferred and maintained by the Human Resources, Legal or Administrative staffs/departments or their equivalents; (b) all other paper documents will be destroyed after three years; (c) all other electronic documents will be deleted from all individual computers, data bases, networks, and back-up storage after one year; and (d) no paper or electronic documents will be destroyed or deleted if pertinent to any ongoing or anticipated government investigation or proceeding or private litigation.

2. **Terms for retention.**

a. Retain permanently:

Governance records – Charter and amendments, Bylaws, other organizational documents, governing board and board committee minutes.

Tax records – Filed state and federal tax returns/reports and supporting records, tax exemption determination letter and related correspondence, files related to tax audits.

Intellectual property records – Copyright and trademark registrations and samples of protected works.

Financial records – Audited financial statements, attorney contingent liability letters.

b. Retain for ten years:

Pension and benefit records – Pension (ERISA) plan participant/beneficiary records, actuarial reports, related correspondence with government agencies, and supporting records.

Government relations records – State and federal lobbying and political contribution reports and supporting records.

c. Retain for three years:

Employee/employment records – Employee names, addresses, social security numbers, dates of birth, INS Form I-9, resume/application materials, job descriptions, dates of hire and termination/separation, evaluations, compensation information, promotions, transfers, disciplinary matters, time/payroll records, leave/comp time/FMLA, engagement and discharge correspondence, documentation of basis for independent contractor status (retain for all current employees and independent contractors and for three years after departure of each individual).

Lease, insurance, and contract/license records – Software license agreements, vendor, hotel, and service agreements, independent contractor agreements, employment agreements, consultant

agreements, and all other agreements (retain during the term of the agreement and for three years after the termination, expiration, non-renewal of each agreement).

- d. Retain for one year:
All other electronic records, documents and files – Correspondence files, past budgets, bank statements, publications, employee manuals/policies and procedures, survey information.
- 3. **Exceptions.** Exceptions to these rules and terms for retention may be granted only by the Association's Executive Director/CEO or President of the Board of Directors.