

## Financial Structure & Related Activities

### BUDGET PLANNING AND PREPARATION

#### 1. RESPONSIBILITY

- a. It shall be the responsibility of the Executive Director to prepare an annual budget and other financial reports as requested by the NC HOSA Board of Directors.
- b. An annual narrative plan of work shall be developed and presented with the annual budget. The narrative shall present the program of work in terms of anticipated income and expenditures.

#### 2. PROCEDURES

- a. The proposed fiscal year budget shall be presented to the members of the NC HOSA Board of Directors at the spring Board meeting.
- b. The NC HOSA Board of Directors shall adopt the budget for the next fiscal year at the spring Board meeting.

#### 3. INCOME

- a. Income shall be derived from affiliation and conference registration fees as recommended by the NC HOSA Board of Directors.
- b. Separate accounts will be maintained for monies designated for scholarships.

#### 4. EXPENSES

- a. NC HOSA Board Members
  - i. Board members are entitled to reimbursement for reasonable expenses, such as mileage, meals, and lodging, incurred by attending meetings as required by the Board of Directors and approved in advance by the Board Chair and Executive Director.
  - ii. Board Members should first seek reimbursement from the local school system or LEA.
- b. NC HOSA Competitive Events Team
  - i. Competitive Events Team members are entitled to reimbursement for reasonable expenses, such as mileage, meals, and lodging, incurred by attending meetings as required and approved in advance by the Executive Director.

- ii. Competitive Events Team Members should first seek reimbursement from the local school system or LEA.
  - c. State Officers
    - i. State officer expenses incurred while traveling at the request of the state association shall be reimbursed in accordance with the current budget approved by the NC HOSA Board of Directors.
    - ii. State officer expenses incurred while traveling at the request of the local chapter shall be reimbursed by the requesting party.
  - d. Executive Director/State Officer Advisor
    - i. The Executive Director will have an expense budget for the purpose of fostering and forming new partnerships.
    - ii. Travel and per diem for expenses related to HOSA conferences and meetings shall be reimbursed in accordance with the current budget approved by the NC HOSA Board of Directors.
    - iii. NC HOSA business credit cards are issued to the Executive Director and State Officer Advisor. Receipts are turned into the accountant within 30 days of issue.
  - e. Conference Headquarters Staff
    - i. Travel and per diem for headquarters staff shall be reimbursed in accordance with the current budget approved by the NC HOSA Board of Directors.

## **OPERATIONAL PROCEDURES**

### **1. HANDLING OF MONIES**

The NC HOSA State Office shall receive and disburse all monies of the state association.

### **2. BOOKKEEPER**

The Executive Director may, upon consultation with the Board Chair, contract with a knowledgeable consultant to assist with keeping the financial records of the state association.

### **3. FINANCIAL REPORTING**

It shall be the responsibility of the executive director and bookkeeper to prepare an income and expense summary, to include a comparison of budget and actual income and expenses.

#### 4. EXCESS EXPENSES

- a. The NC HOSA Executive Director may approve and pay expenditures. Unforeseen expenditures exceeding ten percent (10%) of the budget amount within any category will be communicated to the Executive Committee and/or Board of Directors.
- b. Any purchase with a prior known amount exceeding ten percent (10%) of the budgeted amount will be communicated to the Executive Committee and/or Board of Directors for approval prior to purchase commitment.
- c. When category budget amounts exceed the 10% limitations, the Executive Director shall request additional funds from another category. The request shall be made to the Executive Committee and/or the Board of Directors. The decision will be reflected and included as a part of the financial report to the Board of Directors.

#### 5. ANNUAL FINANCIAL REVIEW

The Executive Director shall arrange for an annual financial review by an independent CPA firm who will review all accounts, prepare a balance sheet, and file appropriate records with the Internal Revenue Service.