

New or Revised IASB Board Policies/Internal Controls

Policy Improvements

In recent weeks, the IASB Board of Directors has worked to update and create policies as appropriate, to ensure tighter oversight of the organization. The most recent were adopted this week.

The policies that have been updated or created over the past few weeks cover the following topics:

- Creation of an audit committee
- Increased board oversight regarding staff salaries and wages
- Stricter policies on travel expenses and staff credit card use

Internal Controls

In addition, the board has taken several other steps to require stronger internal controls in the future. For example, before money can be transferred to or from a fund, two of the following three people must first approve the transfer: the executive director, the board president and the board treasurer.

IASB is in the midst of seeking candidates for a new chief financial officer. Currently, the daily financial work is being done by the controller, in partnership with the former finance director who is helping on a short-term basis, and both are being overseen by a highly qualified consultant from LWBJ Financial.

Audit Committee

The Audit Committee shall be comprised of the president, president-elect, treasurer and two other members appointed by the president and approved by the board.

The Audit Committee shall have the responsibility to oversee the IASB's financial reporting processes, monitor the accounting policies and principals, monitor internal control processes, with assistance of the external auditors and management, monitor the annual audits and any changes required in the auditing plan, and oversee the hiring and performance of the external auditors. The Audit Committee shall make recommendations to the Board on agenda items related to the above topics.

The Audit Committee shall meet at least quarterly with the external auditors and the minutes of said meetings shall be reported to the Board of Directors.

The Audit Committee shall elect a member of the Committee to serve as Chair.

Adopted: April 25, 2010

Salary and Wages

Upon receiving the recommendation of the Executive Director, the IASB Board of Directors shall annually set the salary budget and approve the salaries for all staff. The salary budget and staff salaries shall be set at the board meeting at which the general operating budget for the ensuing fiscal year is approved. The executive director's salary shall be approved annually by the board of directors.

The Executive Director may recommend interim salary adjustments within the salary budget established by the IASB Board of Directors. Conditions for a recommendation of a salary adjustment shall include a change in employee's qualifications to perform assigned tasks, a change in an employee's assignment or other good cause. All changes shall be approved by the Board to be effective.

Salaried Staff

The IASB Salaried Staff includes all employees who use independent judgment to perform professional/program services for the Association. Such employees are exempt from the U.S. Wage and Hour Law. Performance of these duties may require that salaried employees work beyond regular office hours.

Non-Salaried Staff

All non-salaried staff will be paid an hourly wage. These employees are covered by the U.S. Wage and Hour Law. Overtime pay will be provided for hours beyond a forty-hour week. Any overtime must be approved in advance by the Executive Director, Director of Finance or respective Associate Executive Director.

Adopted: November 22, 1985
Revised: September 21, 1988
September 27, 1990
July 1, 1993
November 20, 1998
January 17, 2001
April 25, 2010

Credit Cards

Employees may use IASB credit cards for the actual and necessary expenses incurred in the performance of work-related duties. Actual and necessary expenses incurred in the performance of work-related duties include, but are not limited to, meals, travel, pursuant to 203.1R15, publications and professional development materials, conference registrations, and other items necessary for performance of duties. Generally speaking, it would not include items that are routinely purchased by the association such as office supplies.

Employees using an IASB credit card must submit a detailed receipt in addition to a credit card receipt indicating the date, purpose and nature of the expense for each claim item. Failure to provide a proper receipt will make the employee or board member responsible for expenses incurred. Those expenses are reimbursed to IASB no later than ten working days following use of the credit card. In exceptional circumstances, the executive director or chief financial officer may allow a claim without proper receipt. Written documentation explaining the exceptional circumstances is maintained as part of IASB's record of the claim. Employees and board members shall not use their IASB credit card to purchase personal items.

It is the responsibility of the executive director or chief financial officer to determine whether the IASB credit card use is for appropriate IASB business.

Adopted: January 19, 2010

Revised: April 25, 2010

Travel Expenses

Expenses for travel in connection with IASB activities shall be reimbursed upon receipt of an approved IASB Travel Expense Report.

IASB shall pay the room, board, and other travel expenses for members of the IASB Board of Directors to attend any meeting of the IASB Board of Directors, Executive Committee, other special committee, and at other times when performing association business, as well as for the annual convention. The provisions of the Travel Expense Reimbursement Procedures shall apply to IASB Board member travel.

IASB Officers shall be reimbursed for expenses incurred when attending meetings relating to their position.

Members of the IASB Boards of Directors are exempt from payment of registration fees for the IASB annual convention and IASB conferences, but are responsible for their expenses to and from IASB conferences/workshops.

Travel costs shall be reimbursed as follows:

NSBA Convention:

President (Delegate) -- full expenses; President-Elect (Delegate) -- full expenses; Past President or replacement (Delegate) -- full expenses; Treasurer -- full expenses; Executive Director -- full expenses.

NSBA Central Region Meeting:

President -- full expenses; President-Elect -- full expenses; Executive Director -- full expenses

NSBA State Executive Directors Summer Conference:

Executive Director -- full expenses

NSBA State Presidents' Summer Conference:

President -- full expenses; President-Elect - - full expenses

IASB Staff members shall be reimbursed for all necessary and reasonable travel expenses, pursuant to the Travel Expense Reimbursement Regulation, incurred incident to their regular employment duties and responsibilities.

Expenses for travel in connection with IASB activities shall be reimbursed upon receipt of an approved IASB Travel Expense Report in accordance with the following procedures:

Travel Expenses (Continued)

Air Travel

- Air travel and accompanying association related expenses shall be reimbursed at coach or single class rate. When available, and conditions permit, excursion or other discount rates shall be utilized.
- First class air travel is authorized only if individual circumstances of a serious nature require such travel and the reason for such travel shall be explained on the Travel Expense Claim form (e.g., bad weather, time constraints where lack of coach class space means serious delay, emergencies, etc.).
- If first class travel is utilized but not authorized, only authorized rates may be claimed. If airfare is billed to IASB, appropriate deductions shall be made on expense claim.
- Travel should be by the most direct route.
- Copies of airline tickets shall be attached to claim for substantiation of amounts.
- Any personal travel costs in connection with an IASB-related trip shall be excluded from claim if paid for by person traveling. If IASB is billed for entire cost, appropriate deductions for the personal portion shall be made on the claim.
- Employees may have the travel agency bill IASB directly for airline travel expense.

Rail, Bus Travel

Rail or bus travel is authorized by the most direct route. Reimbursement shall be actual cost. Copies of tickets shall be attached to claim for substantiation of amounts.

Automobile Travel

Personal automobiles may be used for a round trip in the performance of association business. Reimbursement shall be at the standard mileage rate permitted by the Internal Revenue Service at the beginning of the fiscal year. Damages incurred to a personal automobile while on association business will be reimbursed to the level of the insured's deductible, not to exceed \$500.

Rental Automobile Travel

Automobile rentals are authorized and costs shall be reimbursed where the use of such vehicle warrants. An explanation of the reason for such use shall accompany the claim.

Travel Expenses (Continued)

Miscellaneous Travel

- Mileage for use of personal automobile in trips to and from transportation terminals shall be reimbursed at the standard mileage rate. Round trip mileage shall be payable when the claimant is driven to the transportation terminal by another person.
- Toll charges and parking costs shall be reimbursed in full. Receipts where available should be attached to claim.
- Round trip mileage shall be reimbursed at the standard mileage rate for costs of being driven to and/or being picked up at the terminal by someone else.
- Local business mileage shall be reimbursed at the standard mileage rate. Out-of-State travel by IASB staff must be pre-approved by the executive director.

Hotel/Motel Room Charges

- IASB shall reimburse for hotel or motel room charges at the single room rate for all IASB-related travel. Included are charges for any rooms utilized en route, if needed.
- Double rooms or suites may be utilized by the President or Executive Director if he/she deems it in the interests of IASB.
- Hotels/motels are authorized one night before and/or one night after a meeting, as travel conditions require.

Other Hotel/Motel Costs

Other expenses billed to hotel room bills will be reimbursed when such expenses are specifically related to IASB activities. This includes telephone costs and food and refreshment on behalf of IASB. Notations as to the type(s) of expense, the reasons for such costs, and affiliation with IASB of those entertained should be shown on the expense claim form or copy of the hotel bill.

Meal Charges

Persons traveling on approved IASB-related business are authorized to claim the actual, reasonable cost of meals consumed. The purchase of alcohol will not be reimbursed and persons with alcohol charges on an IASB credit card will reimburse IASB within 14 days of IASB's receipt of the credit card statement.

Other Expenses

This category covers other expenses for which IASB is responsible.

- Taxis, airport limousines or other local transportation costs in the conduct of IASB business in a city are authorized. Receipts are useful but not mandatory.

Travel Expenses (Continued)

- Telephone costs. All business telephone calls, whether charged to hotel bills or paid, are IASB costs and shall be reimbursed. One telephone call per day to the claimant's immediate family is reimbursable.
- Laundry/valet services are reimbursed if travel extends four or more days.
- Food and refreshment costs for entertainment incident to IASB-related activities are reimbursable. The number and names of persons, reasons for such costs and affiliation with IASB of those entertained should be noted on expense claims.
- Reasonable gratuities are reimbursable for services related to expenses that are themselves specifically reimbursable under this policy. For example, gratuities for waiters, skycaps, taxi drivers and bellboys at the time of check-in or check-out may be claimed.
- Other expenses directly connected with travel as defined and approved by the Executive Director.

Travel Advance

Advances up to \$350.00 may be paid to cover travel expenses. The person receiving an advance will account for all expenses and reimburse the association for any unused portion as soon as possible upon return from the business trip for which the advance was requested.

Entertainment/Business-Related Expenses

Expenses incurred by IASB employees shall be reimbursed when there is a direct relationship to IASB activities.

Adopted: November 22, 1985
Revised: September 27, 1990
Revised: January 15, 1998
Revised: January 17, 2001
Revised: March 30, 2004
Revised: January 19, 2010