

# VGFOA Policy Statements

The following VGFOA Executive Board policy statements are designed to provide a further link between the by-laws, mission and other practices of the VGFOA in achieving a fiscally prudent and effective operation.

## 1) Implementation of By-Laws

### a) Article I - Name

- i) Filing status and all filings with the Internal Revenue Service (IRS) shall be maintained for membership to view and retained in permanent records of VGFOA.

### b) Article II - Mission

- i) Mission statement shall be materially compliant with IRS purpose statement on file and shall remain in effect with current operation of VGFOA.
- ii) An annual report will be prepared by President provided to membership which shall at a minimum describe how VGFOA attained compliance with "purpose" statements from by-laws with this annual report properly archived on Website.
- iii) As Mission Statement is stated in its entirety in the By-laws, the policies shall define the "tag-line" for the VGFOA as "Developing Governmental and Financial Leaders."
- iv) The tag-line shall appear on all letterhead and communications of the VGFOA wherever practical and any logo of the VGFOA shall also be approved by the Board.
- v) The Mission Statement shall be clearly visible for members to see at conferences, Website and other practical instances for communications.

### c) Article III - Membership

- i) The Executive Board will approve annually in conjunction with the budget all fee rates and due dates for membership fees.
- ii) After three-month period of non-payment, such member shall be notified that their membership is in suspension.
- iii) In attaining the most administratively efficient manner to collect membership fees, the annual membership fees shall be built into the annual Fall Conference with existing and targeted members not attending conference to be billed for such annual membership fee by November 30.
- iv) Once paid for the year, membership shall be granted to both the employee enrolled as a member and the entity that sponsored such employee for a period not greater than 12 months with membership status provided to the employee if they transition to another employer during the year as well as granting continued employer membership for replacement position.

### d) Article IV - Executive Board

- i) The following are the prescribed goal statements for each member of the Executive Board and the established standing committees for which the chair of such committee is a board member.
- ii) Officers
  - (1) President - to oversee the Executive Board in meeting goals and other assigned duties through contract oversight of Executive Secretary, formulation of agenda items, running board meetings in a proper manner and other contracted services including risk management (insurance), legal counsel and audit.
  - (2) President-elect - to serve in the President's role in President's absence, committee oversight and other leadership roles and special committees for assigned tasks from the President.
  - (3) Treasurer - to provide oversight over the proposed budget formulation for Executive Board, present Board financial reports, monitor compliance with financial policies and ensure that actual revenues and expenditures are being recorded and supported in a proper manner.

- (4) Past-President - to chair by-laws committee, chair nominating committee, serve as GFOA State representative, and ensure rules of meeting (as defined per by-laws) are followed and other leadership roles and special committees for assigned tasks from the President.
- (5) Standing Committees
- (a) Membership and Awards - to ensure that all efforts are being made to recruit and retain full, lifetime and past-president membership through provision of member-benefit services, including alumni-benefit services, and oversight over structured awards program to provide recognition to both individual members and/or their organizations in becoming premier governmental financial leaders.
  - (b) Associate Membership Relations - to ensure associate members and prospective vendors for membership are provided with pathways to illustrate their goods/services, provide educational and technical resources and contribute appropriately for such access to the full membership.
  - (c) Conference - to provide oversight for Spring and Fall Conference, including securing location and formulating agenda.
  - (d) Education - Certification and Other Courses - to formulate a structured educational training schedule that includes at a minimum the VGFOA certificate program, and other targeted training classes.
  - (e) Communications and Technology - to provide oversight for content of communications (including e-mail distributions) and the technical manner in which such content and other information can be maintained on the Website.
  - (f) Regional Organizations - to be the primary liaison between the Board and the four regional organizations (Northern Virginia, Central Virginia, Southeast Virginia and Southwest Virginia) established by the VGFOA Board.
  - (g) Legislative and Standards - to be apprised in a timely manner of State and Federal legislation impacts, standard setting authorities (e.g., GASB) and/or any other impacts that may be imposed upon governmental entities for which research will be conducted to best formulate education and communication strategies to best apprise members.
- (6) Special Committees (on-going, President may formulate other committees as needed)
- (a) Nominating Committee - to formulate nominating slate for open positions on the Executive Board.
  - (b) By-Laws Committee - to propose changes of by-laws and ensure compliance with existing by-laws.

iii) **Attendance at Meetings and Provision of Appropriate Resources**

- (1) In order for the business of the VGFOA to be conducted properly, attendance at meetings and the provision of appropriate resources is needed from each and every Executive Board member.
- (2) For those members that fail to attend 50% of scheduled VGFOA Board meetings during their term, those members can be removed from the Executive Board, upon vote of the Executive Board, with vacancy on Executive Board filled in accordance with By-laws process for vacancies.
- (3) For those members that fail to perform their duties (e.g., commitments to assigned duties, committee oversight, etc.), those members can be removed from the Executive Board, upon vote of the Executive Board, with vacancy on Executive Board filled in accordance with By-laws process for vacancies.

e) **Article V - Election of Executive Board**

- \_i) The By-laws enables the Executive Board to prescribe the manner in which the elections are held.

- ii) Nominating committee shall be appointed by the Past-president at least 120 days prior to the election to enable committee to meet and present draft slate of candidates for Executive Board meeting at least 30 days before election.
- iii) Nominating committee will be chaired by Past-president and be comprised of no more than five members, of which at least three shall be prior Past-presidents.
- iv) Nominating committee will solicit potential candidates and weigh the following factors in declining order:
  - (1) Service of candidate to the VGFOA, including serving as a VGFOA Committee chair or VGFOA committee member.
  - (2) Commitment of candidate to adequately devote time and resources to the VGFOA.
  - (3) Achieve diverse and representative Executive Board covering broad areas of geographic, governmental structures and fiscal expertise roles.
  - (4) The Association's need for new ideas and perspectives that can be attained by first time Board members.
  - (5) For President, President-elect and Treasurer, it would also consider leadership attributes in serving the organization over the long-term, managing contractual relationships and other duties assigned to such board members.
  - (6) After an interval of three years, Past Presidents may be eligible for one additional three year term. However, Past Presidents will not be eligible for nomination in any vacant officer positions.
- v) Final nominating slate will be presented to Executive Board at meeting prior to annual election with Executive Board approving such slate to be presented to the full membership.
  - (1) If changes to the slate, then such changes must have a two thirds majority support of the Executive Board.
- vi) Nominating committee will present slate to annual membership at business meeting with voice vote held to record vote and if no objections, then such slate will be considered approved unanimously.
  - (1) If not unanimous, then form ballots will be made available for membership to vote and results tallied within 24 hours of receiving ballot.
- vii) Upon election to new term in office, all Executive Board members will have a letter sent to their employer from the Past-President thanking the member for their service and commitment to the VGFOA, unless member otherwise requests to not have such letter sent.
- viii) All new board members will be provided with an orientation package from the executive secretary prior to the first Board meeting following the annual conference.

**Article VI - Annual and Special Meetings**

- i) The annual meeting that includes the business meeting shall be the "Fall Conference."
- ii) The annual meeting notice of 30 days prior to the meeting shall be met via conference solicitation for such fall conference.
- iii) Special meetings shall meet all notice requirements (at least 10 days prior to the meeting).
- iv) Executive Board meetings will enter into closed session for those discussion items that meet criteria for organizational closed session discussions.
- v) Executive Board may correspond with one-another via e-mail and/or conference call with consensus of Board's opinion documented in subsequent minutes of meeting.
- vi) Regularly scheduled Executive Board meetings will occur at least four times per year with the following schedule to be used as a guideline (actual meeting schedule determined at the last Executive Board meeting of the calendar year at times and places most convenient to Executive Board members):
  - (1) March - at a mutually agreed-upon site and time.

- (2) May – in conjunction with the Spring conference, traditionally held in Virginia Beach, with such Executive Board meeting beginning just prior to such conference.
- (3) October – in conjunction with the Fall conference with such Executive Board meeting beginning just prior to such conference (in addition, a brief meeting is also held just subsequent to the annual full membership meeting).
- (4) December – at mutually agreed-upon site and time.

**g) Article VII – Amendment of By-Law**

- i) The By-laws Committee shall be comprised of the Past-president and two active Board members (per the By-Laws).
- ii) The Past-president shall establish the committee by January 1 of each year with goal to have the by-laws reviewed, and if any edits are proposed by the committee, to have such edits presented to Executive Board no later than spring conference meeting with any edits to proposed by-laws having two thirds majority support.
- iii) Proposed by-law amendments shall be made available to full membership at least 30 days prior to their adoption at the annual business meeting with any edits to such proposed by-laws prior to annual meeting also requiring two thirds majority support of the Executive Board.

**h) Article VIII – Rules of Conduct of Meetings**

- i) The Past-President shall serve in the role as understanding the Robert's Rules of Order in order to best conduct the meetings should such consultation be needed.
- ii) Unless it appears that a unanimous vote is not reached via a voice vote, then a roll call shall be done for Executive Board meetings and a ballot format for annual business meetings for the membership.

**2) Standing Committees**

- a) Overall Structure
  - i) Committee members shall be appointed by the chair of the committee with consent of the President.
  - ii) Committee size shall be determined by the committee chair, but unless otherwise determined by committee chair, each committee shall be comprised of no less than three and no more than ten members.
  - iii) Committees shall meet at a minimum once per year at the annual conference in a pre-scheduled meeting.
  - iv) Committees shall formulate and maintain agreed-upon guidelines, responsibilities and duties that at a minimum prescribe manners in which committee can meet and communicate (e.g., via conferences, e-mail, conference call) as well as attendance/participation goals for active membership in committee.
- b) A goal of the committees is to encourage greater participation from the membership, and to rotate committee assignments as needed to mitigate anyone from serving on one committee too long.
- c) Committee slots may be occupied by a representative of a targeted governmental entity on an on-going basis, if agreed-upon by committee chair and President.

**3) Executive Secretary**

- a) The Board will contract for executive secretary services with calendar year contract terms subject to renewable one-year terms for a period of up to five years.
  - i) Every five years the Executive committee will determine how best to solicit and procure executive secretary services.

- ii) During last calendar year Executive Board meeting a formal contract review will be done, including closed session discussion, in order to best evaluate the existing contract and agree to contract renewal terms for the succeeding calendar year.
  - iii) If transition of services to new executive secretary, then contract terms should ensure that extension of existing executive secretary services will negate any lapse in service during transition; this shall also apply for any circumstance that defers renewal of existing contract past January 1.
  - iv) Contract will meet legal contractual terms with legal counsel review done, as applicable.
- b) The following represent the minimum scopes for such contractual services for which remuneration for services would be based:
- i) Update and maintenance of the Association's website.
  - ii) Record retention of VGFOA records.
  - iii) Deposit all receipts and payment of expenditures incurred within budget appropriation in a timely manner and with supporting documentation properly maintained.
  - iv) Day-to-day activities of association.
  - v) Administrative duties for all educational training and conferences.
  - vi) Maintain minutes of all Executive Board and annual business meetings of the VGFOA with all actions properly and clearly recorded.
  - vii) Maintain a book of accounts for the VGFOA and report to the Executive Board the status of the financial activity of the VGFOA.
  - viii) Work with the President and Treasurer to present a proposed budget for the VGFOA and five-year plan for the VGFOA by the last calendar year meeting of the Executive Board each year.
  - ix) Coordinate Executive Board meetings and provide applicable meeting materials prior to Executive Board meeting via e-mail with any Board member responsible for bringing such materials to meeting.
  - x) Maintain the Membership Directory.
  - xi) Invest any anticipated idle funds of the VGFOA.
  - xii) Historian
    - a) The goal would be to maintain the continued documentation of VGFOA's history.
    - b) Through newsletter and Website communications, the historian will continue to focus on the past highlights of the organization and its members.
    - c) Oversight is also provided in recording the permanent history story maintained on the WEB and providing timely updates in the organization's history.
    - d) Record Retention
      - (1) All record retention guidelines of the Virginia Archives shall be followed, unless otherwise specified below:
        - (a) Permanent retention - Minutes of board meetings, by-laws, IRS filings, audit reports, adopted budgets, certificates of insurance and other documents deemed appropriate.
        - (b) Critical records - general ledger records of revenues and disbursements, membership status lists.
        - (c) For permanent records and those records deemed to be critical such record retention area shall be secured and fire-proof with back-up of such records at an off-site location.
- xii) Other duties may be assigned by the Executive Board with the concurrence of the Executive Secretary.
- c) Reimbursable expenses shall include, in addition to any other defined in the contract:
- i) All lodging and meals costs at conferences, training sessions and board meetings.
  - ii) If approved in budget, all travel, lodging and meal costs for national GFOA conference subject to IRS per diem for meal reimbursement and lodging costs pre-

approved by the President.

**4) Membership and Awards Committee**

- a) Awards and Recognition Program
- i) The Membership and Awards Committee provides recommendations of award recipients to the Executive Board for approval and subject to budget appropriation.
  - ii) Presentations of all awards will be based upon the time/place most convenient to award recipient with the goal to be recognized at a conference and consideration of communicating content of the award's merits to members to provide further education to the membership.
  - iii) Membership and Award Committee and Executive Board members shall be precluded from applying and receiving any individual award (e.g., scholarship), but may have their employer receive an award, in which case such member would abstain from such award vote.
  - iv) The following represents such award and recognition programs:
    - (1) Award of Excellence: to recognize governmental entities that developed innovative programs.
    - (2) GFOA Advanced Government Finance Institute Scholarship: to provide funding in the budget for a scholarship to mitigate costs to a recognized national program in developing governmental and financial leaders.
    - (3) Certificate Program Scholarship: to promote VGFOA Certificate by providing an incentive to members in pursuit of certificate.
    - (4) Pettigrew Scholarship: to recognize undergraduate or graduate students in pursuit of a governmental fiscal career, named in honor of Edward T. Pettigrew, VGFOA's first president.
    - (5) Black Lifetime Member Award: to recognize a member who has retired from active service in governmental finance field and has made an outstanding contribution to the field of public finance in the Commonwealth, named in honor of Joseph N. Black, founding member of VGFOA.
      - (a) As this is a prestigious award and recognizing the fact that Executive Boards have transition over time and may not be cognizant of the merits of someone who is now retired, the membership and awards committee, through established guidelines, will maintain a list of potential candidates and their contributions that were noteworthy.
      - (b) All lifetime members will be recognized on a plaque that the VGFOA shall display at the annual conference and Individual recognition on Website.
    - (6) Other awards, resolutions or other forms of recognition (e.g., Certificate of appreciation) to an individual, governmental entity or an organization may be initiated by an Executive Board member.
  - v) The Executive Board shall try to establish scholarships and awards under the name of a member or past-member who has made significant contributions to the organization and/or to the establishment of such applicable scholarship/award.
- b) Alumni Member
- i) As the only members who have a connection to VGFOA after they have retired and/or are in non-governmental finance career are lifetime members and past-presidents, there shall be a pathway for such members to stay involved with the organization.
  - ii) Alumni contact list to be maintained on Website with such alumni provided e-mail notices about conferences and other VGFOA related events.
  - iii) Executive Board will provide support as needed to encourage participation of alumni in VGFOA activities and design programs to accommodate such alumni interest with coordination of a sub-committee combined of alumni members.
- c) Fellowship programs
- i) Regional and other fellowship programs shall be advocated in providing pathways for members to exchange information and related interests in providing for a stronger association.

**5) Associate Membership Relations Committee**

- a) Committee will also include representative associate members in order to best ascertain the best manners for such relations.
- b) Organizations wishing to advertise will be given access to sponsor programs, scholarships, training programs, newsletters and other materials as deemed appropriate by Board member overseeing such materials with fees based upon established associate member fee schedule adopted by the Board.
- c) Exhibitor space will be provided at conferences as facility space permits with agreed-upon fees provided for such use of space and access of exhibitors to conference events.
- d) Vendor relations will focus on ability of VGFOA to promote services of vendors via Website and/or newsletter in a manner that is fair and equitable to all vendors who are associate members.

**6) Conference Committee**

- a) All conferences shall be held at a location as approved by the Executive Board and recommended by the Conference Committee with scope of this committee limited to the Spring conference, traditionally held at Virginia Beach in May, and the Fall conference, traditionally held in October at a location agreed-upon by the Executive Board.
- b) Facility arrangements and other conference/training-related items shall be coordinated between the Board member/Committee member assigned oversight and the Executive Secretary.
  - i) Conference facilities - for those facilities that educational training and/or conferences will be held, standard contractual agreements will be negotiated between conference facility and VSEOA person in-charge of such conference with the following attributes:
    - (1) No contract will guarantee payment of funds above an attendance figure that is not reasonably projected.
    - (2) Standardized contractual agreements shall be reviewed by legal counsel and upon consent, approved by the Executive Board within desired parameters, with final contract reviewed by the Treasurer and signed by the President or their designee.
    - (3) In order to assure facility accommodations at desired place and time, such contractual arrangements for facilities shall be made at least 12 months in advance (for such recurring facility locations as Virginia Beach, multi-year agreements are acceptable).
- c) Conference fee shall be formulated and approved by Executive Board to achieve desired margin, after consideration of estimated attendance, facility fees, other expenses, net of estimated sponsorship.
- d) Sample conference parameters shall include:
  - i) Proper times for speakers, concurrent sessions and adhering to such times.
- e) Continuing Professional Education (CPE) hours.
  - i) CPE hours shall be based upon established standards of the Virginia Board of Accountancy.
    - ii) For those CPE hours required in certain areas (e.g., ethics), conference planning shall occur to ensure that all CPE goals can be met through VGFOA conferences and/or other related-training.
- f) Reimbursable expenses for conferences and training speakers are as follows:
  - i) If an associate member or non-member/non-governmental employee, then no reimbursable expense is necessary unless otherwise approved by the Executive Board and/or addressed in another policy section (e.g., vendor relations).
  - ii) If a full active member, then a free registration shall be permitted.
  - iii) If not a member, but a governmental employee, then a free registration and if requested by speaker, one night's hotel lodging shall be permitted.
  - iv) For "keynote" or banquet" speakers, accommodations can be made for one night's lodging and reasonable travel reimbursement if requested by the speaker.

- g) Reciprocal member recognition shall be given to the following organizations which shall entitle such members to receive information on conferences and educational training:
  - i) Treasurer's Association of Virginia.
- h) Refunds shall be provided back to "payee" for any registration fees if such notice was received prior to established date w/ facility in providing estimate for attendees for meals, facility space, etc.

**7) Education – Certification and Other Courses**

- a) Elements of the Conference Committee shall also pertain, as applicable, to this committee and therefore are not repeated in this section.
- b) VGFOA Certificate Program
  - i) The VGFOA Certificate Program will be comprised of courses and electives as approved by the Executive Board with appropriate Executive Board approved waivers granted based upon other certifications and/or college coursework taken.
  - ii) All records of individuals in pursuit of certificate program will be maintained by the executive secretary.
  - iii) Through an agreement with the Executive Secretary, the VGFOA shall net an agreed-upon return per student attending such classes.
  - iv) A rolling five-year plan shall be maintained by the committee to illustrate the manner in which the certificate program could be achieved within a five-year period.
- c) Other training classes that are not part of the Certificate Program will be structured and formulated to best meet membership training needs, as necessary, which may also include opportunities for such training to occur via the internet.

**8) Communications and Technology**

- a) Website
  - i) Communications - to provide oversight over the solicitation and production of virtually all content delivered to the membership via newsletter, Website and/or e-mail distribution outlets.
  - ii) Technology - to manage the Website and related technologies (e.g., e-mail distribution) in order for content providers to best communicate to the membership and other interested parties at-large; including monitoring of other applicable Websites for further enhancements to VGFOA Website.
  - iii) The Website will contain the membership list of all members with e-mail addresses also provided.
  - iv) E-mail distributions to entire mail list will be coordinated through the Communications and Technology Committee chair that would allow communications to members if it met educational and Information standards for VGFOA members at-large.
  - v) Job postings should be posted for a period through application deadline and/or three-months from any position of a governmental finance perspective.
  - vi) All award winners shall be posted to the Website including a standing page section for lifetime member awards.
- b) Newsletter
  - i) A newsletter shall be published monthly and distributed to all members of the organization with emphasis upon distributing such newsletter via e-mail and/or Website posting.
  - ii) Advertising considerations can be accepted for newsletter upon consent of the Executive Board.
- c) Prototype Policies and Documents
  - i) The VGFOA will advocate for prototype financial policies, request for proposals and other related information to be disseminated in an organized manner via the WEB page and/or other communication means.
  - ii) Regional Focus Groups shall be encouraged as a manner to promote fellowship and regional discussion groups about issues relevant and current for members to



address.

**9) Regional Organizations**

- a) To serve as the liaison to the four Association regional organizations (Northern Virginia, Central Virginia, Southeast Virginia and Southwest Virginia).
- b) To monitor the Association's budget for these organizations.
- c) To support the educational needs of these organizations.

**10) Legislative and Standards Committee**

- a) Legislative
  - i) A State legislative update shall be provided to members in a timely manner from Governor budget proposals to General Assembly actions and through adoption of budget.
  - ii) Federal legislative update shall be provided to members in a timely manner.
  - iii) For both State and Federal updates references to other sources can be substituted if it meets members' objectives for timeliness, propriety and completeness of information.
- b) Standards
  - i) Updates shall be performed as needed in order to best apprise members of standard setting body impacts (e.g., GASB, GFOA, etc.) with education program also designed to best orient members to proposed changes in standards.

**11) Treasurer Duties**

- a) Audit
  - i) There shall be an annual audit and related management letter, if applicable, of all funds under the control of the VGFOA performed by an independent certified public accountant contracted by the Board through a request for proposal process for a contract of up to five years.
  - ii) For any non unqualified opinion or management letter, a corrective action plan shall be formulated by the Treasurer and adopted by the Executive board within three months of getting such opinion or letter.
  - iii) The Treasurer shall coordinate all audit-related services and oversight over Executive Secretary in ensuring that all records are complete and control/compliance inquiries are addressed.
  - iv) An Audit Committee comprised of the Past-President, President and President-elect with President serving as chair shall make their preliminary report to the Executive Board at the Spring conference meeting of the Board for the preceding fiscal year with final report approved for distribution at the Fall conference to members.
  - v) Year-end unrestricted net assets shall be greater than 15% of actual revenues with any balance less than such percentage to be addressed by Treasurer in corrective action plan to achieve such threshold during next fiscal year.
  - vi) The audit shall also ensure compliance with required IRS reporting (e.g., Form 990, Form 1099) within prescribed deadlines.
  - vii) The audit, to the extent practical, shall also determine compliance to by-laws and policies established.
- b) Budget
  - i) By October 1, all committees and contracted services will submit requests for budgetary needs for next fiscal year to the Treasurer.
  - ii) By November 1, President and Treasurer, with assistance of executive secretary, will have formulated balanced budget for next fiscal year and updated five-year plan that will include:
    - (1) Revenues: Assumptions for membership dues, conference fees, vendor donations, exhibitor space charges (w/related access to conference events), investment income and other educational training courses/fees.

- (a) Targeted goal of having contributions be at least equal to 10% of total budget.
- (b) Targeted goal of positive conference and educational training margins.
- (2) Expenditures: Assumptions for contracted services, committee needs, contributions/scholarships, conference/education training costs and other operating expenditures.
  - (a) Targeted goal of providing awards and scholarships at least equal to 5% of budget.
  - (b) Targeted goal of retaining at least 2% of budget into restricted fund until such fund attains 10% of VGFOA budget that may be needed to establish endowment for the recruitment and retaining of future executive secretaries; thereafter such endowment shall be maintained at 10% threshold.
- (3) Profit margins: Profit margins shall be illustrated with each conferences and educational session.
- (4) Net Assets: Projected year-end net assets shall be no less than 15% of total projected revenues.
- iii) By January 1, balanced budget and five-year plan will be adopted by Board.
- iv) For those items in the budget for which an overage is anticipated, the President has the authority to transfer up to \$10,000 with Board consensus needed and documented for those amounts above such threshold.
- c) Investments
  - i) All investments shall be within prescribed limits of Code of Virginia as it pertains to local governments.
  - ii) In recognition of its fiduciary role in the management of all public funds entrusted to its care, it shall be the policy of the VGFOA that all investable balances be invested with the same care, skill, prudence and diligence that a prudent and knowledgeable person would exercise when undertaking an enterprise of like character and aims under circumstances prevailing at that time.
  - iii) Investment Objectives
    - (1) Safety - the safeguarding of principal shall be the foremost objective of the investment program by mitigating credit risk and interest rate risk with all other objectives subordinated to the attainment of this objective.
    - (2) Liquidity - the investment portfolio shall be managed at all times with sufficient liquidity to meet all daily and seasonal needs, as well as special projects and other operational requirements either known or which might be reasonably anticipated.
    - (3) Yield - the investment portfolio shall be managed with the objective of obtaining no worse than a fair value rate of return over the course of budgetary and economic cycles, taking into account the constraints contained herein and the cash flow patterns of the VGFOA.
  - iv) The following securities shall be expressly prohibited, unless specifically approved in writing by the Treasurer:
    - (1) Derivative products that include any of the following characteristics: high price volatility, illiquid markets, products that are not market tested, highly leveraged products, products requiring a high degree of sophistication to manage, and products that are difficult to value.
    - (2) Reverse repurchase agreements (repos).
    - (3) Any other security not specifically authorized in this policy or related regulation.
  - v) Each Board meeting a summary year-to-date report for the most recently completed quarter will be presented and accepted by the Board and at a minimum, contain the following information:
    - (a) Bank reconciliation with detailed reconciling items.
    - (b) Income statement with actual revenues and expenditures compared to budgetary balances with projection by budget area for fiscal year-end.
    - (c) Detailed posting of all expenditure disbursements with payee name, dollar amount and date noted.

- (d) Net revenue and expense summaries for each educational training session or conference held.
  - (e) Accounting method for non-year-end financial reporting will be based upon cash basis.
- d) Controls
- i) It is recognized that the VGFOA is a small organization, that is primarily volunteer-based (except for the Executive Secretary resource) and board members that are not in close proximity to one another, therefore, the all controls noted in this policy are best attempts to mitigate risk given the existing control environment.
  - ii) Receipts
    - (1) All receipts shall be recorded in a cash receipt log by payee, date, account code and dollar amount.
    - (2) Deposits should be prepared in a timely manner and, at a minimum, with deposits being done within 5 business days of receipt.
    - (3) All returned checks shall require the payee to include a returned check fee of \$15 above established bank charge in addition to new check prior to depositing such check with all services related to check (e.g., conference registration), placed on-hold until new check and returned check fee have been paid.
  - iii) Disbursements
    - (1) All disbursements shall be logged in a cash disbursement journal recording payee, date, good/service incurred, dollar amount and account code.
    - (2) All disbursements prior to check distribution shall be communicated to Treasurer via e-mail, with authorization of such checks received prior to disbursement of funds with the Treasurer requesting supporting documentation for any expenditure transaction desired.
    - (3) Authorization received from Treasurer shall be maintained in supporting documentation records for check disbursements.
    - (4) All checks above \$5,000 shall require e-mail approval of President in addition to Treasurer.
    - (5) To mitigate misuse or theft risk, for credit card or procurement card transactions, card constraints should allow for no more than \$2,000 unit costs in a day and/or \$5,000 in a month.
    - (6) All contractual agreements will require approval of the Treasurer prior to any payments made of a contractual nature.
- e) Board Member Reimbursements
- i) The VGFOA shall provide all lodging and meal costs, for which the Board is participating in together, pertaining to all Board meetings.
    - (1) For lodging costs, one night of hotel accommodations are provided for every day that the Board meets, except for conference in which just one night will be provided (possibility that Board may meet more than one day in concurrence with conference).
    - (2) For other costs incurred on behalf of Board members when four or more Board members are participating in an event or activity just prior to or after, Board meeting shall be reimbursable upon approval of President.
    - (3) If pre-authorized in the budget, the President and/or President-elect may be reimbursed for costs associated with business meetings that they may need to conduct on behalf of the VGFOA with such costs not exceeding IRS allowable per diems for lodging and meals and IRS mileage reimbursement rate.
    - (4) Other costs, including mileage, incidentals and other non-Board related meals shall be borne by the Board member with the desire that each Board member's governmental entity provide such reimbursement as would pertain to any other governmental travel for educational training or business.
  - ii) Other reimbursable costs are as follows:
    - (1) To ensure representation at the Government Finance Officer's Association's annual national conference, the VGFOA may provide, if specifically approved in the budget, assistance for the President to attend the conference.

- (2) Appearance on behalf of the VGFOA to testify, make a presentation or otherwise represent the VGFOA, when required or authorized by the Executive Board with meal, lodging and mileage at allowable IRS per diem reimbursable thresholds.
- (3) Committee expenses as pre-authorized in the budget (e.g., award plaques, etc.).
- (4) Committee meetings for which a Board member is present are permitted to have their meal and/or related activities reimbursed if within IRS guidelines for meal reimbursement per diems, within budget and approved by the President.

## 12) President Duties

- a) Retreat
  - i) As part of any strong organization, a formal Board retreat should be held at least every five years in order for the Board to best position itself over the long-term.
  - ii) Strategic plans would be reviewed and updated as part of such retreat with final product available to membership via Website.
  - iii) An established Code of Ethics will also be reviewed and updated, as applicable, as part of strategic plan with Code available to membership via Website.
- b) Risk Management.
  - i) Insurance
    - (1) All insurance coverages of the VGFOA and contracted vendors shall require a certificate of insurance to be filed in the VGFOA permanent records.
    - (2) Insurance - the VGFOA shall always maintain adequate coverages for directors/officers liability, general liability and surety bond coverages in a contractual relationship that is reviewed annually with the vendor to ensure that proper insurance coverages are in-force.
    - (3) General liability coverage - coverage shall be at least \$1 million per occurrence and \$2 million in the aggregate per year.
    - (4) Directors and Officers - coverage shall be at least \$1 million per occurrence and \$2 million in the aggregate per year.
    - (5) Surety Bond - coverage shall be at least equal to 50% of previous year-end's cash balance.
    - (6) Professional liability insurance (e.g., Continuing Professional Education (CPE) risk, misinterpreted guidance provided, etc.) shall be mitigated through oversight by the Executive Board.
  - ii) Business Contingency Plan
    - (1) A business contingency plan shall be formulated and maintained by the organization which shall address loss of permanent records, contracted service discontinuance (e.g., executive secretary), Website shutdown and other events that would cause the organization risk in membership, educational training and fiscal loss.
  - c) Other Contractual Relationships
    - i) Legal - the VGFOA shall always have access to legal counsel services that can be accessed in a timely manner for those issues that may involve counsel and if under a contractual agreement, such agreements would be reviewed annually.

## 13) President-elect Duties

- a) Coordination and oversight over all standing committees that have Board chair.
- b) Authority to act on behalf of the President in the President's absence or concurrence.
- c) Special tasks that further the mission of the VGFOA and preparation for assumption of President role in subsequent year.

## 14) Collaborating Organizations

- a) As the VGFOA recognizes that it is a value to its membership to encourage and solicit educational and other informational items from other organizations, it has provided collaborative opportunities for such organizations to provide information to the VGFOA.
- b) The following organizations have been identified as collaborative organizations
  - i) Treasurer's Association of Virginia.
  - ii) Association for Governmental Accountants, Virginia Chapter.
  - iii) Local Government Auditors Association.
  - iv) Virginia Society of Certified Public Accountants
  - v) Virginia Association of School Business Officials
  - vi) Virginia Association of Counties
  - vii) Virginia Municipal League

**15) Contributions**

- a) The VGFOA may be solicited for contributions to various causes that promote governmental financial standards, education and practices.
- b) The following represent those contributions that have been provided on an on-going manner
  - i) GASB

**16) Code of Ethics**

- a) A code of ethics shall be followed which defaults to the current GFOA Code of Ethics.

**17) Organization Structure**

- a) The following organization chart illustrates the manner in which the reporting entity operates.  
Can someone do this?

Superseded