



FORT WORTH POLICE BENEVOLENT ASSOCIATION

Administrative Regulation

Financial Management

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The Fort Worth Police Benevolent Association (Association) is committed to providing accurate financial data internally and externally. The Association will utilize the following financial policies to create strong internal controls and to safeguard the financial resources of the organization.

Section 1 Accounting Principles

All financial resources must be accounted for using generally accepted accounting principles. Investments, contributions, and donations must be accounted for in accordance with requirements of the contributor, or if there are no specific requirements, in accordance with generally accepted accounting principles.

Section 2 Authority

- A. The Board of Directors (Board) is ultimately responsible for the financial management of all activities.
- B. The Secretary-Treasurer shall be custodian of all funds of the Association derived from all sources.
(Section 8 of Association Constitution)

Section 3 Banking

- A. Funds will be maintained in accounts protected by FDIC insurance. Changes in financial institutions and the addition or closing of accounts must be approved by the Board. The Association will maintain balances, to the extent possible, under FDIC limits; however, it is recognized that cash flow requirements and other considerations may not always allow for this practice.
- B. Bank statements will be provided to the contracted Certified Public Accounting firm for monthly reconciliation.
 - 1) Discrepancies shall be made known to the entire Board as soon as discovered by the accounting firm.
- C. There will be a minimum of two authorized signers on the checking account: Secretary-Treasurer and the President. Additional board members may be approved by the Board of Directors.
 - 1) All signers shall also have access to the electronic account information.
 - 2) Monthly statements will be made available to the entire Board on or before the 10th day of the following month.
- D. Mail should be opened daily and any checks received will be marked “for deposit only” upon receipt. The funds should be deposited as soon as possible.
- E. Any cash receipts or donations received will be counted by two Board members and deposited into the checking account.

Section 4 Death Benefit Payments

- A. The Secretary-Treasurer may issue payment to the designated beneficiary, upon receipt of a death notice of an Association member.
 - 1) Due to the time sensitivity of such requests, pre-approval by the Board will not be required, unless unusual circumstances exist.
 - 2) The Secretary-Treasurer shall submit all death benefit payments to the contracted Certified Public Accounting firm before the 10th day of the following month, for reconciliation.

Section 5 Financial Assistance

- A. Upon receiving a completed application for financial assistance, the Secretary-Treasurer shall contact as least two other Board members for review.
 - 1) Section 18 of the Association’s Constitution reads: “Such donations are subject to the approval of Board of Directors, with at least three members voting and the majority decision shall be final.”
 - a. Under no circumstances shall any donation be for more than the amount authorized by the Board of Directors, for each calendar year.
- B. The manner in which the financial assistance is to be paid, shall be discussed at the time of approval.
 - 1) Generally, payments should be made directly to the member’s creditors, unless exigent circumstances exist that the majority of the voting Board members agree to a direct payment to the member.
- C. All disbursements and receipts shall be provided to the contracted Certified Public Accounting firm before the 10th day of the following month, for reconciliation.

Section 6 Expense Disbursements

- A. The Secretary-Treasurer has the authority to commit Association funds for the purchase of goods and services that are approved by the Board of Directors.
- B. Online bill paying, pay by phone or automatic deductions from the checking account may be used, subject to the same limitations as in section A above.
 - 1. Electronic payments shall include supporting payment information, including proof of review and approval (e.g. authorizer’s initials and date or printed email).
- D. Invoices should be paid within 30 days.
 - 1. Payments should only be made from vendor invoices (not statements) and appropriate verification. Exceptions should only be made in unique situations where a variance is reasonable and documented.
- E. All disbursements and receipts shall be provided to the contracted Certified Public Accounting firm before the 10th day of the following month, for reconciliation.

Section 7 Consultant/Professional Services Usage

- A. The Association is authorized to procure professional services such as technology, audit, legal, and other necessary services.
- B. The Board shall vote whether to approve authorizing the President to execute such contracts.

Section 8 Debit/Credit Cards

- A. The Secretary-Treasurer has the authority to use a debit/credit card for payment of Financial Assistance and the purchase of goods and services that are approved by the Board.

1. Expenses in excess of \$1000 which does not have prior approval, shall be approved in writing by a minimum of two Board members.
- B. All credit/debit card purchases will be documented with the appropriate receipts for audit and authorization purposes.
- C. All receipts shall be provided to the contracted Certified Public Accounting firm before the 10th day of the following month, for reconciliation.

Section 9 Financial Reports

- A. Monthly, any financial reports created by the contracted Certified Public Accounting firm, shall be provided to the Board.
- B. At the General Membership Meeting, an annual Financial Report shall be provided to the Board and approved by vote.
- C. Additional supporting documents may also be provided at the board meetings and on other occasions as requested.

Section 10 Investments

- A. An external investment advisor(s) may be retained upon approval by the Board. The Secretary-Treasurer will be the point of contact and shall share any reports with the Board when received, no less than Quarterly.
 - 1) The President shall be a reviewer for any changes on the account, regarding access and changes to the account. Additional Board members may be added, as necessary.
- B. The Secretary-Treasurer and one Board member shall meet annually with the investment advisor(s) to review investments.
- C. Any transfer of funds from the investment accounts shall require Board action.

Section 11 Secretary-Treasurer Salary

- A. The Board shall determine the salary for the Secretary-Treasurer each General Membership meeting.
- B. The Secretary-Treasurer may take monthly payments, on the first day of the month, for the previous month's duties.
 - 1) This expenditure shall be provided to the contracted Certified Public Accounting firm before the 10th day of the following month, for reconciliation.