

## Section E – ADMINISTRATION COMMITTEE

### RESPONSIBILITIES AND DUTIES

The responsibilities and duties of the Administration Committee are stated in the ElderStudy Constitution and Bylaws.

### COMMITTEE MEMBERSHIP

The bylaws require that the Treasurer be a member of the Administration Committee. In addition, at its September 2011 meeting, the Board of Directors recommended that the Board President, Board Vice President, Board Secretary, and the Curriculum and Membership Committee Chairs should be ex-officio members of the Administration Committee (with all rights and privileges of membership, including the right to vote), consistent with the long-range planning functions of their positions. General committee membership guidelines are described in the preceding Section D. Also explained there (page D-2) are details about how any other member may become a voting member of the Administration Committee.

### UPDATING *POLICIES AND PROCEDURES*

Mary Washington ElderStudy's *Policies and Procedures* is updated as needed. Each member of the Board of Directors and Committee Chairperson must receive a copy of the most recent *Policies and Procedures*. For general member use, a copy is retained in ElderStudy's main classroom, or may be viewed on and downloaded from the ElderStudy website ([www.ElderStudy.com](http://www.ElderStudy.com)), or borrowed from the Administration Committee. Members who are interested in serving on a Committee or the Board of Directors are particularly encouraged to review a copy.

*Policies and Procedures* is intended to be a flexible and living document, reflecting changes in the organization as they occur, and kept in notebook format to facilitate the removal or addition of separate pages. Each committee is encouraged to update its section as needed. Committees and individual members should submit proposed changes to the Chairperson, Administration Committee. After approval by the Administration Committee, the Chairperson shall submit proposed changes to the Board of Directors for final approval.

A call for proposed changes shall be issued at the March General Membership Meeting. Approved changes should be incorporated in the *Policies and Procedures* by the end of August. This timetable ensures that new members who join the organization at the start of the ElderStudy fiscal year (September 1) will have the current version to review. A copy of this version should be given to the UMW designated representative.

ElderStudy should not make changes to any of its governing documents and business practices that might alter its status under the Federal tax code.

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### PREPARATION OF ANNUAL BUDGET

Preparation of the proposed Annual ElderStudy budget for the following fiscal year, including proposed membership fees,\* is generally completed by May 20 of the current fiscal year.

The ElderStudy Administration Committee, based on submissions from the Committee Chairpersons of the other standing Committees, the membership, and the Board of Directors, shall prepare a proposed annual budget for consideration and approval by the Board of Directors. In general, the timeline is as follows:

- Receipt of proposed budgets from Committee Chairpersons and the President, Board of Directors by April 28, including justification for any significant increases over the current year, in response to the Administration Committee Chairperson's request
- Consolidation and review by the Budget subcommittee (if established) by May 20
- Review and approval by the Administration Committee by May 31 (by e-mail or mail if no intervening meeting is planned)
- Presentation to the Board of Directors at the June Board of Directors meeting
- Subsequent to approval by the Board of Directors, dissemination of the approved budget to the membership in the "ElderStudy Newsletter" and on the ElderStudy website and to the University representative

**\*Membership Fees** - Look at the current year's membership, income and expenses. Is the present fee schedule adequate based on anticipated membership and expense levels to meet the financial needs for the next fiscal year?

### ANNUAL BACHELOR OF LIBERAL STUDIES SCHOLARSHIP

At its November quarterly meeting, the Administration Committee determines a suggested amount of scholarship funds, based on the approved budget, affordability, and the "Terms of Agreement" (see Appendix B-8), to recommend to the Board of Directors. That recommendation is given to the Board before its December meeting.

### EMPLOYMENT OF PAID PERSONNEL

Whenever the need is identified, ElderStudy may employ paid personnel to supplement the work of ElderStudy members, e.g., secretarial, bookkeeping, newsletter publishing. Once the position is identified, recommended by the Administration Committee, and approved by the Board of Directors, a job description is prepared, including compensation, supervising member and person (if known) to fill the position. Actual hiring is predicated on the Board of Directors' approval, based on the Administration Committee's recommendation. The Administration Committee shall review the continuing need for paid personnel as part of the Annual Budget process. If a vacancy occurs, and the need continues, the Administration Committee shall recommend to the Board of Directors a suitable replacement.

## **DUTIES OF THE TREASURER**

The responsibilities and duties of the Treasurer are stated in the ElderStudy Constitution and Bylaws.

### **PROCEDURES FOR KEEPING FINANCIAL RECORDS**

#### **A. RECEIPTS**

The normal type of receipt is for membership fees or replacement nametags – generally paid by personal check or by Bill Pay. All membership forms and checks are to be sent to the ElderStudy Treasurer at the ElderStudy mailing address. Upon receipt, the Treasurer then restrictively endorses and deposits the funds within five business days into the ElderStudy checking account maintained at the Bank designated by the Board of Directors (BOD).

Any checks received, sporadically, throughout the year – as well as any other checks received from members for self-sustaining Special Activities such as trips to the opera, museums, picnics or any other purpose – are to be forwarded to the ElderStudy Treasurer by the function sponsor within seven days of the function or event, then restrictively endorsed, and deposited within five business days into the Bank account. Records shall be kept to enable auditors to trace each check from the originator to the specific activity.

Any cash received for membership or special activities is to be given to the Treasurer as soon as possible and should have the person's name and purpose of the funds. Cash is to be deposited in the ElderStudy checking account within five business days.

The Treasurer shall maintain all deposit slips supporting monies deposited in the Bank for bank reconciliation and audit purposes. ElderStudy will maintain bank records for five years.

#### **B. DISBURSEMENTS**

All disbursements are to be made by checks drawn on the ElderStudy checking account. The Treasurer generally signs checks unless he/she is not available. No cash withdrawals from the ElderStudy checking account are authorized.

All disbursements must be supported by a payment authorization initiated by the person(s) requesting payment. These authorizations may be in the form of a letter, vendor invoice, U.S. Postal Service receipt, cash register receipt, etc., that shall be provided to the Treasurer prior to the disbursement of funds. The requestor should identify the specific committee(s) budget line item or items against which to apply the incurred charges. Documentation for each payment made throughout the year should be kept with the appropriate monthly checks and bank statement to facilitate the Bank reconciliation/Audit process (See G, below)

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#### C. BANK ACCOUNTS

A checking account in a bank approved by the Board of Directors must be used as the depository for all receipts throughout the year and the source of all ElderStudy payments. The Treasurer, President, and Vice President shall register as signatories on the account. The President signs checks in the absence of the Treasurer; if neither is available, the Vice President signs. The President, or the Vice President in the absence of the President, signs checks reimbursing the Treasurer for organizational expenses.

The reserve funds for the organization are invested in certificates of deposit at a bank approved by the Board of Directors. As a minimum, approximately one year's operating expenses should be held in the reserve fund in case of need. These reserve funds are handled according to the ElderStudy Bylaws and in consultation between the Administration Committee and the Board of Directions.

#### D. BANK RECONCILIATIONS

Since the checking account at the Bank was established requiring only one person to sign checks (to facilitate disbursement of funds), the monthly bank reconciliation must be performed by the Treasurer in Quicken and then by a second person approved by the Board of Directors and who chairs or is a member of the Administration Committee. This second review may consist of either a review of the Quicken reconciliation report or simply a review of the monthly bank statement. In either case, this will provide a greater measure of control and audit ability since the Treasurer is involved in every other aspect of the day-to-day financial transactions.

Any checks outstanding after three bank reconciliations have been performed should be investigated. At the minimum, the payee should be contacted to verify receipt of the check. In most cases, if the check has not been received, a new check should be provided with an accompanying letter requesting the payee to destroy the original check if it ever appears (since it is expensive to go through the bank's "Stop Payment" procedure).

When a check is returned for insufficient funds (NSF), the Treasurer should contact the payer and request a new check which includes the amount of the original check plus recovery of any NSF bank charge against our ElderStudy account. Anyone submitting two "insufficient funds" checks should be required to pay future Fees or Special Activity Fees by certified check or money order. These types of transactions should be kept confidential between the Treasurer and the member.

#### E. SPECIAL EDUCATIONAL ACTIVITIES AND PROGRAMS

All Special Educational Activities and Programs should break even financially, (example: bus trips or field trips for which a fee is charged.) The person sponsoring an activity is responsible for planning so that the amount charged and the expenses balance.

The Treasurer should keep a separate record of the income and expenses of such activities, with only the net deficit or surplus reflected in the financial statements.

## F. PREPARATION OF FINANCIAL STATEMENTS

Three types of statements need to be prepared:

1. Budget - Prepared annually
2. Statement of Operations - Prepared monthly
3. Balance Sheet - Prepared quarterly

Annual Budget - Based on input from the Board of Directors and each standing or Special Committee, an annual budget shall be prepared by the Administration Committee no later than May 31 and submitted to the Board of Directors for approval at its June meeting.

Statement of Operations - This statement should reflect the budget line item income and expenses on a Year-to-Date basis. The report shall be distributed to the BOD, Committee Chairpersons, the newsletter editor and person responsible for purchasing name tags.

Balance Sheet - This statement reflects a “snapshot” of ElderStudy Assets, Liabilities and fund Balance at the end of each quarter. This statement is prepared quarterly and presented at quarterly meetings of the Board of Directors, General Membership Meetings, and other times as required.

## G. AUDITS

Each month the Treasurer completes a Statement of Operations Report and provides a copy of the bank statement to the Administration Committee Chairperson or a Board designated member who is independent of the day-to-day financial transactions. This monthly review ensures monthly oversight of the financial transactions being performed by the Treasurer. If any problems are identified, the Administration Committee member doing the monthly review should request a copy of all receipts that support each transaction as well as a Quicken printout for the period in question. In addition to this monthly reporting, the Treasurer shall provide a financial report, including a Statement of Operations for the year-to-date and a Balance Sheet for the same period, at each Quarterly meeting of the Board of Directors and at each semi-annual meeting of the General Membership.

The Vice President, working with the Treasurer, is responsible for arranging the annual audit. The auditor should:

- Review and verify transactions using deposits, vouchers, statements, invoices and other documentation (e.g., authorization for payment) provided by the Treasurer
- Prepare a written report of findings
- Submit audit report to the Administration Committee Chairperson as soon as possible following the end of the fiscal year.

The Chairperson forwards the audit report with a covering memorandum to the President of the Board. Following review and approval by the Board of Directors at its December quarterly meeting, a copy of the report shall be placed in the ElderStudy files as a permanent record.

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The Treasurer shall maintain each quarter's financial documentation in a separate folder, and when the full fiscal year's statements have been prepared and audited, all documentation required for retention in the permanent records shall be filed in the ElderStudy file cabinet located in close proximity to the classroom designated for ElderStudy.. Records not required for permanent retention are to be destroyed after three years.

### **DISPOSITION OF EXCESS FUNDS**

Each year (March thru June) as part of the Next Year Budget preparation, the Administration Committee shall review the current financial balance to determine the amount of excess funding, if any, anticipated at the end of the current ElderStudy academic year.

The organization shall maintain a minimum financial reserve of \$15,000 to ensure solvency and to provide a financial buffer for at least one year's operating expenses. Unspent funds anticipated in excess of budget needs for the current fiscal year may be shared between reduced renewal membership fees for the following fiscal year and grants to those departments of the University of May Washington whose faculty have assisted with programs during the current fiscal year. Reducing the renewal membership fees serves as an incentive to rejoining and grants serve to recognize the departments for contributing to Elder Study program success. Recommendations identifying anticipated excess funds shall be presented by the Administration Committee to the Board of Directors at their June Quarterly Meeting as part of the Next Year Budget recommendation. If approved by the Board of Directors, (a) any reduced renewal fees for the next year will be included in the Membership Renewal Registration Form distributed with the August newsletter and the complete membership fee schedule will be posted on the ElderStudy website, and (b) excess funds supporting the Departmental Grants will be provided to the University during July or August of the year that the funds are available.

### **REVISIONS TO FINANCIAL PROCEDURES**

Revision of the "Procedures for Keeping Financial Records" occurs as needed. Committee Chairpersons and/or other ElderStudy member(s) knowledgeable about the Financial Procedures initiate recommendations for changes. Changes to the procedures are proposed to and approved by the Administration Committee, then presented to the Board of Directors for approval, after which they shall be incorporated in the ElderStudy *Policies and Procedures*.

### **REVISIONS TO THE CONSTITUTION AND BYLAWS**

The Board President, Chairperson of the Administration Committee, or any other ElderStudy member may suggest revisions to the Constitution and/or Bylaws. If an in-depth examination is warranted, it begins with the Administration Committee.

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- The Chairperson of the Administration Committee shall appoint at least three members of the Committee to form a subcommittee. Committee members having a particular interest may volunteer to assist.
- The subcommittee shall research the need for revision, prepare proposed change(s), and submit same to the Administration Committee Chairperson.
- The Administration Committee Chairperson then shall present the proposed change(s) to the full Administration Committee for discussion and approval.
- Upon approval by the Administration Committee, the Chairperson shall prepare a letter to the President of the Board of Directors recommending that the changes(s) be approved and adopted.
- Upon approval by the Board of Directors, the proposed change(s) shall be circulated to the membership at least two weeks prior to a General Membership Meeting (see Article IX of the Constitution and Part 9 of the Bylaws).
- A quorum for all General Membership Meetings is ten percent (10%) of the membership of the organization (see Article VIII of the Constitution). An affirmative vote of 2/3 of the members present at any General Membership Meeting is required for adoption of the change(s) to either the Constitution or Bylaws (see Article IX of the Constitution, Part 9 of the Bylaws).

### **MAINTENANCE OF ELDERSTUDY FILES**

Official ElderStudy documents must be maintained in a file cabinet located on the University of Mary Washington campus in close proximity to the ElderStudy classroom for historical purposes and future reference. (See Appendix E-1 for location, access and specific categories.)

### **RECORD OF RECEIPT OF KEYS**

The Administration Committee is responsible for the allocation of keys to the filing cabinet in the main ElderStudy classroom. Keys are distributed in the following numbers to these individuals:

- President, Board of Directors (1)
- Secretary, Board of Directors (1)
- Treasurer, Board of Directors (1)
- Chairperson, Administration Committee (1)
- Chairperson, Curriculum Committee (3, for designated committee members to store the ElderStudy microphone when not in use)

Each member receiving a key must sign a receipt (see Appendix E-3). When that person's term is over, he/she must return the key(s) to the Administration Committee Chairperson.