

ADMINISTRATIVE POLICY (AP No. 2H)

FINANCIAL MANAGEMENT OF THE SOCIETY

1. The fiscal year of the Florida Engineering Society, established by the Board of Directors pursuant to Article II, Section 2 of the FES Bylaws, shall be October 1/September 30.

2. All receipts of Society revenues shall be promptly deposited in a bank whose deposits are insured by the Federal Deposit Insurance Corporation. Funds which are not needed for day-to-day operations shall be invested in an interest-bearing savings account or in Certificates of Deposit of an FDIC insured bank or savings and loan association insured by FSLIC. Other forms of investment of Society funds shall require prior written approval of the Vice President of Finance and concurrence of the Executive Committee or the Board of Directors.

3. The Executive Director and the Vice President of Finance, individually; the Chief Financial Officer and the Executive Director, jointly; shall be authorized to sign checks. For checks of \$5,000 or more, two signatures are required. New signature cards shall be executed at the beginning of each administrative year for the change in Vice President of Finance and at other times when needed.

4. An annual budget shall be prepared by the, Chief Financial Officer under the direction of the Executive Director, estimating revenues and expenditures for the upcoming fiscal year. The budget is drafted from information/requests sent in from Committees/Task Forces and then forwarded to the Budget Committee for approval. The budget shall be reviewed and approved by the Budget Committee, the Executive Committee and the Board of Directors prior to the beginning of each fiscal year. Each program of the Society shall be reviewed for relevance and effectiveness (zero based programming and budgeting). The annual dues will be increased annually by the Consumer Price Index (CPI) beginning with the 2008-2009 dues year.

Financial statements shall be prepared monthly for guidance in the management of Society funds and shall include a "Budget Report" which shall show revenue collected and expenses incurred cumulatively to the date of the report. The budget figures shall be compared to actual revenue and expenses and a third column shall show the difference between actual and budgeted amounts. The Budget Committee shall meet quarterly, and Budget Reports shall be distributed to the committee in preparation for the meetings. It shall be the responsibility of the Executive Director and staff to see that Society expenditures do not exceed the amount budgeted or the cash available (whichever is less) for a fiscal year. When expenses for a particular line item total to an amount which is 90% of the amount budgeted and additional funds are needed, a transfer of budget from another line item under which budget is available may be requested in writing from the Vice President of Finance provided sufficient cash is available in the Society operating account.

Amendments to the approved budget, which would increase total expenditures, should be recommended by the Executive Committee and shall be approved by the Board.

5. Revenues and expenditures of each practice section should be recorded in separate accounts so that the net loss or gain for each fiscal year can be closed to a "Fund Balance Account" to reflect the cumulative balance or deficit of each practice section, except as noted in Administrative Policy 46D.

6. All revenue and expenditures for improvements to or sale of the Society's property or buildings are to be handled through a separate bank account. Administrative costs incurred in connection with such a fund should be reimbursed to the operating account except that alterations or repairs costing less than \$1,000 should be operating budget expenditure.

Adopted by the FES Board of Directors
June 16, 1977

Amended by the FES Board of Directors
December 8-9, 1978

Amended by the FES Board of Directors
June 12, 1981

Amended by the FES Board of Directors
January 8, 1982

Reaffirmed by the FES Board of Directors
August 6, 1987

Amended by the FES Board of Directors
July 30, 1992

Amended by the FES Board of Directors
August 14, 1997

Amended by the FES Board of Directors
June 15, 2001

Amended by the FES Board of Directors
August 5, 2004

Amended by the FES Board of Directors
August 6, 2009