

# **Financial Policies Statement Governing The Executive Director and District Chairpersons of the Florida Orchestra Association Incorporated**

## **Bank Reconciliation:**

Upon receipt of the previous months bank statements all accounts managed by the Executive Director will be reconciled within seven (7) business days. Copies of each month's reconciliation reports will be printed and mailed to the members of the Finance Committee of the Florida Orchestra Association Incorporated. Each District Chairpersons reconciled reports shall not be dated more the fifteen (15) business day from the close of the statement. District records will be checked in January at the FMEA Clinic/Conference and will be due at the May Board Meeting.

## **Check Signer:**

Any check(s) that are for an amount over \$1500.00 written to an individual or vendor doing business with the Florida Orchestra Association Incorporated, must have the written authorization from the Executive Director or if not available the President of the Florida Orchestra Association Incorporated before funds may be disbursed. It is recommended that Districts have an authorized member as a signer on checks.

## **Financial Institutions Change:**

All fiscal accounts owned and operated by the Florida Orchestra Association Incorporated shall not be moved from the current financial institution without a majority vote of the Finance Committee of the Florida Orchestra Association Incorporated. This vote must be recorded in writing and the decision included with all records of transfer.

## **Accounting Manual:**

The accounting system used by the Florida Orchestra Association Incorporated and its Districts must be an accepted accounting program or manual recognized by a tax exempt certified CPA.

## **Invoices:**

Any debts incurred by the Florida Orchestra Association Incorporated (district) will be paid through the use of General Requisitions (invoices) and Adjudicator Requisitions that are approved by the Florida School Music Association.

### **Signing of Checks in Advance:**

Under no circumstances shall a check of the Florida Orchestra Association Incorporated be signed in advance. All checks are to be signed at the time of services rendered, or when an invoice is presented. No debt will be paid by the Florida Orchestra Association Incorporated with a statement. There must be an invoice to accompany said debt at both the State and District level.

### **Establish Initial Control Over Cash Receipts:**

All funds collected by the Florida Orchestra Association Incorporated will be deposited into the General Checking Account of the Association. These funds will be deposited within ten (10) business days of receipt of funds. Any funds collected by Florida Orchestra Association Incorporated Districts will be deposited within fourteen (14) business days of receipt of funds.

### **Authorized payments:**

Any invoice presented to the Florida Orchestra Association at the District level must also have a general requisition written out and attached to the invoice for payment. The requisition must include the budget category, date, check number and description of items/services. If a District Chair is reimbursing themselves they must attach an email from the Executive Director or if they are not available the President of the Association giving permission for reimbursement providing an itemized list with receipts of what is to be reimbursed.

### **Adjudicator payments:**

All adjudicators are to be paid at the conclusion of the event from which they are hired. District Chairs must fill out an adjudicator requisition for each judge, and include a copy of their contract, print out of mileage/tolls, along with hotel receipts (if applicable). The yellow copy of the adjudicator requisition must be mailed within 15 days after the completion of the MPA to the Executive Director.

### **Individual/Group reimbursement:**

Individuals who have purchased items for the District Chair may be reimbursed for the cost of the items as long as a receipt is presented and NO SALES TAX is paid. Booster associations that feed the staff and adjudicators during an MPA may be reimbursed as long as an itemized receipt is presented for payment. No member/teacher that hosts an event for the Florida Orchestra Association is to be paid for their time. Administrator/custodial/security payments must be made according to the hosts School District's policy.

## **FOA DISTRICT FINANCES GENERAL POLICY INFORMATION**

### **Introduction**

The Florida Orchestra Association (FOA) and the Florida School Music Association (FSMA) have developed the following financial reporting policy jointly. With regard to financial reporting, FSMA has three roles: 1) to ensure that MPA matters are managed in accordance with generally accepted accounting practices; 2) to assist District Chairs in any way possible to accomplish financial reporting, and 3) conduct an annual audit of each Districts accounting documents.

The first document you should read is the *FSMA Rules and Regulations Governing Interscholastic Music Activities*, which may be found on the FSMA/FMEA website.

It is important to keep in mind that when you receive funds from any school/booster group in payment for any event or service that you provide, those funds become public funds, and must adhere to the strictest reporting and accounting procedures possible.

All District financial reports must be maintained in electronic format. Utilizing any of the following accounting programs Quicken, QuickBooks, Peachtree. All Districts will use the same accounting program for financial reporting.

Note; District Chairs can request general requisition forms and adjudicator requisition forms by calling the FSMA office at 1-800-301-3632

Finally, each District may decide to appoint or find someone who has accounting experience to help the District Chair with this task. However the District Chair is responsible to see that accurate records are kept and should review them periodically.

### **Checking Accounts**

District checking accounts must be maintained at a financial institution that has branches State-wide, and has been approved by the Finance Committee. Districts are not allowed to “bank on line”, nor have any type of check card. Bank statements should be downloaded monthly and reconciled. With a copy of the bank statement and reconciliation report sent to the Executive Director monthly.

Checks should be imprinted as follows:

Florida Orchestra Association, Inc.  
District (#)

At the end of each school year, funds from your checking account are to be forwarded to FSMA for deposit over the summer. Each District should retain \$1500.00 in their District checking account, any balance over that is sent to FSMA for holding. Summer holdings are usually returned to Districts at the beginning of the school year.

### **All State Fees**

Only students from schools where their director is a member of FMEA /FOA are allowed to audition. The Executive Director will maintain membership lists.

Each District sets their own fees for auditions but must include the mandatory State fee along with their District fees. Checks for auditions should be made payable to their District FOA account. Do not accept cash or personal checks. Only school/booster checks or money orders made payable to your District are acceptable.

### **MPA Assessments**

Only students from schools that are members of FSMA are allowed to participate in district and state events. The current list of FSMA member schools is maintained on the FSMA website.

Each district is responsible for its own assessment. Checks for assessments should be made payable to your district FOA account. Do not accept cash or personal checks for payment. No school should be scheduled for Solo & Ensemble or Concert MPA unless all assessment monies have been collected.

An "entry" is defined as each time a student's name appears on an Application form. ie; a string quartet has 4 entries

An "event" is either a solo or a group ensemble that requires a time slot with one or more adjudicators.

### **Fines/ IRS Reporting**

FOA has one fine for individual schools that turn in late forms. This fine is automatically imposed and added to their district entry. The fine set by the FOA Board is \$200.00 for any form arriving within seven (7) days of the deadline set by the district or state. Late form fines should be sent to the State office upon receipt.

The other fine is a District fine imposed by the State office for late adjudicator requisitions and W9's that are turned in after December 31 of the current fiscal year. The fine set by the FOA Board is \$100.00 for each adjudicator requisition not received by the State office. This fine is payable within 30 days of the infraction by the District(s). Districts must recognize that this fine is designed to keep us in compliance with current IRS policy regarding the issuance of 1099 for those individuals who were paid in excess of \$600.00 during the past calendar year. The State office must prepare these forms and they must be mailed by January 30 of each calendar year to remain in compliance.

### **Incomplete or inaccurate entry forms**

District Chairs are to return entry forms that are inaccurate to the appropriate director with a note of explanation. The director will have one week to make the necessary corrections and return the forms to the appropriate person. If this is not done within one week, then the fine of \$200.00 will be imposed on that school and they will have an extension of one more week. After this the application will be refused, and participation will be denied.