

Alumnae Association of Wilson College

Fiscal Policy

Drafted: September 2005
Approved: January 29, 2006

Purpose

Alumnae Association of Wilson College (AAWC) believes that its financial soundness and stability depends largely on being responsive to the needs of Alumnae and members of the College family it serves while using its financial and personnel resources effectively to advance the interests of Wilson College. AAWC endeavors to maintain policies and procedures in all areas of financial management that will ensure the long-term viability of the organization.

Policy

It is the policy of AAWC to employ the methodology of best practices under the American Institute of Certified Public Accountants (AICPA) guidelines for all areas of financial management including revenue generation and support, budgeting, financial reporting, internal procedural controls, fund development, and legal requirements.

Best Practices

- A. Revenue Generation and Support: As an integral part of Wilson College, AAWC manages the cost of its operating expenses as approved by the Board of Trustees in the annual College budget. Additionally, AAWC generates sufficient revenue to support the organization's program services and events. AAWC annually reviews rates and fees for event activities, develops additional sources of funding through monetary donations, in-kind donations and royalty payments, and monitors all investment accounts to achieve investment returns while controlling risk for the organization. AAWC monitors the use of restricted funds, refrains from co-mingling funds, and keeps appropriate financial records documenting their use.
- B. Budgeting: The annual budget for AAWC is tied to outcomes, is in alignment with available resources, includes staff input, and supports programs, administration, and fundraising. On a periodic basis throughout the fiscal year, AAWC maintains and reviews trend analyses, forecast projections, and budget-to-actual comparisons to accurately track and manage revenues and expenses.
- C. Financial Reporting: All financial records and information are kept up-to-date and use generally accepted accounting principles. AAWC publishes monthly financial reports including a balance sheet, profit and loss statement, and an investment activity report. AAWC annually obtains an independent review of its financial record-keeping methods and keeps written documentation in Board meeting minutes of approval of financial statements and disbursement of restricted funds.

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- D. Internal Controls: AAWC has an adequate system of internal controls which is reviewed periodically. Written policies exist that govern the investment of assets, internal control procedures, and purchasing practices. Internal financial management processes are monitored including deposits and cash disbursements to ensure appropriate use of funds.
- E. Fund Development: AAWC analyzes current and potential sources of revenue to ensure a diversified funding base. AAWC annually plans trips for Alumnae Travel and regularly monitors credit card royalties for funding program and scholarship expenditures.
- F. Legal Requirements: AAWC files all appropriate legal and financial documents as required by law. AAWC annually ensures that financial statements are filed with local, county, state, and federal taxing authorities, and that signatory resolutions at banking institutions are properly maintained and updated.

Responsibilities

The Board of Directors is responsible for assuring communication and implementation of the fiscal policy. The Board of Directors also is responsible for maintaining the fiscal integrity of the financial statements by requiring an annual audit review by an independent accounting firm.

The Director of Alumnae Relations is responsible for monitoring and overseeing all areas of financial management to ensure compliance with fiscal policy.