

AMERICAN PLANNING ASSOCIATION

CALIFORNIA CHAPTER

FINANCIAL POLICIES AND PROCEDURES



The Financial Policies of the California Chapter of the American Planning Association incorporate the general guidelines, specific money allocations and restrictions that have been established by the APA California Board or pursuant to membership vote. All future budget decisions shall be made consistent with these policies or the policies shall be amended. Amendment of any fiscal policy shall be made by majority vote of the APA California Board of Directors or member vote, as determined by the Board.

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# GENERAL FINANCIAL POLICIES

## OVERALL BUDGET STRUCTURE AND REPORTING

APA California shall use a line item budget, with each income and expenditure allocated to a specific line item in the budget. Budget line items are listed and described in Appendix A. Where possible, related income and expense line items shall have similar numbers and titles. Where there are corresponding line items, the corresponding line items are noted in parentheses. The budget line items and descriptions thereof may be modified as needed without amending these Financial Policies and Procedures. Any such modifications shall be approved by the Executive Director and the Vice President for Administration.

The APA California accounting management contractor will provide the President and Vice Presidents with a Budgeted Profit and Loss vs. Actual Report (P&L) and Balance Sheet following the end of each quarter. These reports shall detail the quarterly and to-date income and expenses compared to the budget, and current assets and liabilities. These reports will also be provided to the full Board at each Board meeting.

All income derived from programs, fees, dues (National and Chapter-Only) and interest shall be included in the Profit and Loss Budget vs. Actual Report. Likewise, all expenses by APA California for any portfolio item shall be included. Each P&L report shall include the following for each line item:

* the amount received or paid out as of the statement date
* the amount established in the current year budget
* the dollar amount over or under the budget; and
* the percentage of the current year budget amount that has been received or expended to date.

The Chapter shall maintain a separate budget and accounts for its annual conferences. Financial policies related to the annual conference are addressed in Section IV.

## APA CALIFORNIA SAVINGS AND CHECKING ACCOUNTS

This section describes the purpose and use of the various accounts maintained by APA California (not including conference accounts covered in Section IV).

### RESERVES/SAVINGS ACCOUNTS

The Chapter savings accounts (or “Reserves”) are intended to provide the Chapter with a financial cushion for unforeseen fiscal problems that may arise. Deposits into and withdrawals from these accounts shall be made in accordance with the Policy for Reserves as set forth below.

### CHECKING ACCOUNT

The checking account is used to pay APA California’s normal operating expenses, and to pay bills in accordance with the APA California adopted budget. Interest from the checking account is credited to a budget income line item (LI 11).

# ANNUAL BUDGET PREPARATION AND ADOPTION

In August of each year, the President shall appoint a Budget Committee consisting of the President, Vice Presidents, other elected positions, and two Section Directors. The Committee shall submit a draft proposed budget to the Board for comments in advance of the last Board meeting of the year. The Board shall consider and adopt the budget at the last Board meeting of the year. The draft and final budget shall identify the changes between the current year and the recommended budget for the upcoming year. The proposed budget presented to the Board shall also include an explanation of each budget item, how the budgeted amounts were determined and any major changes in individual items from the current budget year.

The proposed budget should be based on consideration of the adopted Strategic Plan, requests from Vice Presidents and other portfolio managers, and current year actual expenditure and revenue trends from the latest Profit and Loss Statement.

The following is a suggested Budget Committee checklist and calendar.

|  |  |
| --- | --- |
| August 1 | Budget Committee appointed by the President |
| August 1 | Initial draft budget prepared by Executive Director and Accounting Services contractor with approval of the VP of Administration and sent to Budget Committee and each portfolio manager, listing both the previous year's and new year's proposed budget amounts for each Line Item, Strategic Plan strategies for the year, and current Profit and Loss Statement for review |
| August 10 | Vice Presidents and other portfolio managers send their budget requests to the Budget Committee |
| August 20 | Budget Committee receives revised draft budget and supporting documents and holds meeting/conference call to develop the final draft Budget  |
| August 31 (or by Conference Board meeting date) | Final Draft Budget distributed to the entire Board for review and comment prior to the Board meeting at the conference. Any mid-course corrections to the current year budget will be made if necessary to reflect actual expenditures and revenues based on the latest Profit and Loss Statement before the draft budget is sent to the Board for review and approval |
| At the Conference Board meeting | Final Budget adopted by the Board |
| November 1 | Executive Director notifies National APA of California dues increase pursuant to CPI if applicable |
| November 1 | Executive Director updates Chapter-Only membership form to increase dues pursuant to CPI if applicable and Association Maintenance contractor sends notice and new Chapter-Only membership form to Sections with the new increased Chapter-Only membership amount |
| December 1 | VP for Admin sends adopted Budget and narrative explanation to VP Public Information for publication in CalPlanner and on the website |
| December 31 | VP for Admin revises the APA CALIFORNIA Financial Policies if any changes are made during the budget process or made by the Board as included in the minutes |
| First Board Meeting in New Year | Board reviews year-end financial reports and makes any necessary revisions to the adopted budget for the current year. |

The Vice President for Administration shall ensure that the Chapter's final approved budget is published each year in Cal Planner and on the website in the first available issue of the calendar year for the new budget.

# CHAPTER FINANCIAL POLICIES

## PAYMENT AND CHECK POLICIES

Payment of Extraordinary APA California Expenses: the APA California Accounting Services contractor shall not pay any portfolio-related bill or expenses that are not associated with a contracted amount or a normally-budgeted on-going expense without prior approval of the affected Vice President and the Vice President for Administration.

APA California shall not honor any checks not cashed within 180 days of issuance.

## CURRENT-YEAR BUDGET REVIEW

Financial reports shall be provided to the Executive Board prior to their monthly conference call. Board members are expected to carefully review these reports to monitor monthly expenses related to their portfolio. The Chapter accounting staff shall highlight any line item that has or could go over budget. The current year budget will be reviewed at each Board meeting and any corrections necessary will be made at the Board meeting.

Board members are expected to stay within the budget on each line item within their portfolios. Review of the financial reports will be conducted by the Executive Board during their monthly conference call and shall vote on any line item that has or is close to going over budget. Any project or service that is estimated to cost more than the approved budgeted amount must be pre-approved by the Board before any work is done/completed.

## POLICY FOR RESERVES

Withdrawal of Reserve funds shall only occur only if there is a financial emergency and only upon approval by two-thirds (2/3) of the APA California Board.

At the first Board meeting of each year, the Board shall determine whether and how much money can be transferred into Reserves from the Chapter checking account, based on recommendations from the Executive Director and the Vice President for Administration. The Board shall continue to build a Reserve, with a goal of having at least an amount sufficient to fund Chapter operating expenses for one year.

In addition to considering an annual transfer to Reserves from the Chapter checking account, the Board shall consider whether the Chapter’s share of any conference profits over $120,000 should be deposited into Reserves or the chapter checking account (see Section G, Conference Financial Policies).

The Reserves shall be invested in financial instruments/securities that will provide the Chapter with the highest interest rate without undue risk, based upon a recommendation from the APA California financial advisor. The near-term reserves account shall be invested in financial instruments/securities that will provide the Chapter with the highest interest rate with the potential for a stable principal value. Prior to the Board making any decision to invest in any particular financial instruments/securities, the Board shall receive and consider the risk and reward information and the recommendation from the APA California financial advisor.

## POLICY FOR DUES REBATES TO SECTIONS

Member dues subventions received from APA by the Chapter shall be allocated (rebated) to the Sections based on 17% of the actual amount received by the Chapter. Each Section shall receive its proportional share of the rebate based upon the current number of members in each Section. Chapter-only dues shall be rebated to the Sections at the rate of $15 per Chapter-only member. The Chapter-only dues rebate shall be provided to the Sections at the beginning of each year based on the Chapter-only dues received during the prior year. Sections shall receive the subvention rebates upon receipt by the Chapter of the corresponding quarterly subvention check from National and upon receipt and approval by the accounting services contractor of section quarterly financial reports.

## EXPENSE AND REIMBURSEMENT POLICIES

This section contains the policies that govern the Chapter’s payments for certain expenses, including reimbursements for expenses incurred by Board members, appointed advisors and others in the course of their duties on behalf of APA California.

### General Expense Reimbursement Policies

Expenses are paid only upon submittal of paid receipts or other written documentation of costs incurred to the Chapter Accounting Services contractor, along with a completed member expense form (available on the Chapter website, Board Activities > Board Binder).

Requests for reimbursement should be submitted within 30 days of the expense, but in all cases must be submitted before the end of the calendar year in which the expense was incurred. Reimbursement requests submitted after the end of the calendar year will only be paid if approved by the VP for Administration and/or the Board.

It is the intent of the Chapter to reimburse elected and appointed Board officers and appointed Board advisors for expenses incurred in the course of carrying out their duties on behalf of the Chapter, provided that such expenses are reasonably anticipated in the annual budget approved by the Board. Board members are expected to monitor the expense budgets associated with their respective portfolios and control expenses accordingly.

### Reimbursement of Board Member Expenses Related to Attending Board Meetings and the Annual Retreat

The Chapter pays for the following Board meeting/retreat expenses for Board members: meals provided by APA California for all Board members, and travel expenses such as airfare, mileage (at the current IRS rate), cab fare, parking and bridge tolls. The Chapter will also reimburse the cost of one night’s lodging for Board members, staff and contractors (as appropriate) if the Board meeting or retreat is held over two days. (Line Item 102)

Board Meetings held at the Annual State Conference: The Chapter pays travel costs for the Board meeting held at the annual conference only if the Board member’s employer does not reimburse conference costs. Meals are not reimbursed, except for meals related to the Board meeting or conference that are provided to the entire Board. The Chapter will reimburse Board members for the cost of one night’s lodging on the night prior to the Board meeting. (Line Item 102). Sections, however, are responsible for costs incurred by their Section Directors.

###  Other Expense and Reimbursement Policies

The following policies address specific expenses and reimbursements.

1. President: Expenses and travel costs incurred by the President to attend Section meetings, meet with affiliated organizations or pay for expenses related to special programs or projects. (Line Item 200) Travel costs and expenses incurred by the President or his/her designee to attend two APA Chapter Presidents Council meetings per year, including National Planning Conference fees, travel and meal costs, and lodging. (Line Item 201)
2. Legislative Review Teams/VP Operations: Travel costs and expenses incurred by the VP Policy and Legislation and lobbyist to attend Legislative Review Team meetings; expenses incurred for other legislative and policy related meetings, events and programs; mileage reimbursement for Legislative Review Team members attending Legislative Review Team meetings upon written request. (Line Item 302)
3. National Legislative Representative: Registration and travel costs incurred by the National Legislative Representative to attend the National Planning Conference (if the representative’s employer does not pay the cost) and other APA legislative workshops and conferences. (Line Item 303)
4. Administration: reimbursement for costs to allow VP Administration/State Awards Coordinator to meet once with the Awards Jury to choose award recipients, including mileage or airfare for jury. (Line Item 600 and 601)
5. Awards: The Chapter Awards Program will cover the cost of providing one award to each recipient (LI 600). Recipients may order additional copies of their award at their cost (LI 601). Each award winner is provided an order form to allow the award winner to purchase additional awards. The price charged for additional awards includes the price of the award, postage, management time to coordinate and mail, and a profit for the Chapter.
6. Association Management: The association management contractors shall bill the Chapter for direct office expenses based upon a yearly budgeted total (budgeted in Line Items 101 through 114). If the expenses exceed that estimated amount, the association management contractors shall notify the Board for adjustment or overages.
7. Sections: Costs incurred to purchase the most recent version of QuickBooks Pro accounting software and keep the software updated yearly if the Sections do not have the funds to buy the updates. (Line Item 106)

## APA CALIFORNIA FINANCIAL RELATIONSHIP TO CPF

All APA California members are automatically members of the non‑profit educational organization, the California Planning Foundation (CPF). CPF is a 501(c)(3) non-profit organization. The organization solicits and receives tax‑deductible donations from members and the general public for programs that advance planning in California. CPF uses the donations to conduct research on planning‑related programs that impact the State, provide scholarships to planning students, and conduct workshops and programs specifically designed to educate California planners and planning students. Although a closely‑associated organization, the California Planning Foundation does not depend on any budget allocation from APA California. However, APA California may assist in funding the CPF Scholarship Program if funds are available.

# CONFERENCE FINANCIAL POLICIES

The policies in this section are the basis for Article III and other expanded financial discussions in the APA California Conference Requirements Handbook.

## General Conference Financial Policies

1. The conference budget shall be developed by the Conference Host Committee (CHC), working with the VP Conferences and Conference Accounting Contractor, using a standard Line Item Budget provided to the CHC.
2. The conference budget shall be approved by the Board, including unusual proposed expenses and off-site venues, and proposed sponsorship packages. The Board expects that the CHC will diligently pursue cost-effective products and solutions and will seek assistance from the VP Conferences.
3. Conference Contractors are responsible for maintaining costs within the approved budget.
4. Income and expenses associated with the Conference shall be managed, independent from Chapter financial management, by the VP Conferences, Conference Accounting Contractor, and Conference Management Contractor.
5. Distribution of profit in accordance with #3 below shall be made after all conference expenses are paid from gross revenue, conference accounting is complete, and a review and reconciliation has occurred.
6. The amount of profit will vary year to year, however each conference shall make an advance to the subsequent year’s conference prior to the release of profit to the Chapter to distribute in accordance with the discussion in #3 below.
7. The scope of work and payment for any contractor providing services to the conference shall be separate from the work the contractor may perform for the benefit of the Chapter.
8. Certain expenses and revenue occur in conjunction with the conference but are pass-through transactions, i.e., they are neither net expense nor net revenue to the conference budget. These pass-through expenses and revenues include, but are not limited to, pre-conference sessions, Board meeting costs, CPF or Chapter Archives, or carbon footprint donations. These items shall be identified as “pass-through” in the conference budget.
9. If contracting with a conference hotel earns “reward points” toward lodging, those points may be used by the Chapter for Board meeting expenses that are otherwise paid for by the Chapter, or other purposes as determined by the Board.

## Conference Bank Account Policies

1. Three separate conference checking accounts shall be maintained: one for the current calendar year’s conference, one for the next calendar year’s conference, and one for the following year’s conference.
2. The purpose of the future-year accounts is to cover expenses that are normally incurred prior to receiving income from sponsorships and registration fees, including but not limited to payments to the Conference Management Contractor and hotel and venue deposits.
3. The Chapter has provided one-time seed money to these accounts with the goal of providing an opening balance of $32,000 in each account; these funds will be used on a revolving basis to provide seed money for future conferences.
4. Each conference is expected to pay its seed money forward to future conferences. The seed money advances on a 3-year cycle. When a conference budget is closed, $32,000 (the amount of seed money it received) shall remain in the account, which then becomes the account for the conference three years in the future.

## Conference Profit & Loss Policies

1. As used in this policy, “conference profit” means the net proceeds from the conference after all expenses and reimbursements are paid and all revenue received, and after an advance to the following year’s conference account is paid.
2. A profit of $120,000 should be achieved by each conference.
3. Conference profits up to $120,000 shall be shared by the Chapter and the eight Sections as follows: 40% to the Chapter; 40% to the Host Section; 20% split equally among the 7 non-hosting Sections.
4. If the profit falls substantially below $120,000, the Board may determine a different distribution formula.
5. If the conference profit exceeds $120,000, the amount above that target shall be distributed equally between the Chapter and the Host Section. This policy will be reviewed after the conference has cycled once through all eight Sections.
6. The Board will review the conference profit target at the time of selection of the venue to ensure the amount keeps up with inflation and Chapter financial need.

## Conference Registration Policies

1. Based on a recommendation from the VP Conferences and the CHC, the Board shall approve registration rates for each conference, ensuring that expenses can be covered, but managing proposed increases to avoid reduction in the number of attendees.
2. Registration rates shall be set for categories of members as discussed in Article III of the Conference Requirements Handbook and shall provide for increased rates closer to the conference.
3. Out-of-state APA members shall qualify for member rates.
4. Non-member rates shall be higher than rates for APA members and shall provide for increased rates closer to the conference.
5. Complimentary conference registrations, paid for by the conference, will be identified and assigned only by the VP Conferences to the following individuals attending the conference:
	1. Conference Host Committee Co-Chairs
	2. APA California President
	3. VP Conferences
	4. Up to 2 guests of the Chapter President as discussed in Article III of the Conference Requirements Handbook
	5. Major CPF Scholarship winners as identified by the CPF President
	6. APA Region VI Board, AICP Commission, and Student Representatives
6. Media Representatives, upon demonstration to the VP Conferences of their journalistic intent, may be given access to conference sessions; however, the representative must purchase access to ticketed events (i.e., with food & beverage).
7. APA conference contractors onsite to participate in conference logistics will be granted complimentary access to meals and events by the conference.
8. Reduced conference registration rates will be identified by the VP Conferences and are available to the following individuals:
9. A student, whether or not an APA member, shall be eligible to pay a student registration rate with demonstration of current enrollment or APA member student id number; student registration rates do NOT include the Opening Reception which may be purchased separately.
10. Elected Chapter Officers shall be eligible for a reduced registration rate that covers their basic food costs.
11. CHC Subcommittee Chairs, as identified by the CHC Co-Chairs, shall be eligible for a reduced registration rate that covers their basic food costs.
12. Conference Speakers attending the conference, both APA members and non-members, shall be eligible for a reduced registration rate. Note: see Handbook, Article III, for further discussion regarding Keynote Speakers and speakers who are not attending the conference.
13. Those registering for the conference, including but not limited to Chapter Officers and Advisors, CHC subcommittee chairs and speakers, are expected to cover their own registration and hotel costs, except as specifically provided in this policy.

## Conference Hotel Policies

1. The conference budget shall cover hotel room costs for the CHC Co-Chairs, the Chapter President, the VP Conferences, up to 2 guests of the Chapter President, the Region VI Board Member, and the AICP Commission Member.
2. Neither the Chapter nor the conference budget will provide room nights to Board members not specified above.
3. See #6 below for Board Member room nights to attend the Chapter Board Meeting held at the conference.

## Board Meeting at the Chapter Conference Policies

1. The Chapter, not the conference budget, shall cover all eligible costs related to the Chapter Board meeting held the day prior to the conference; however, Sections are responsible for costs incurred by the Section Directors.
2. The Chapter shall cover the cost of one night at the conference hotel for voting members of the Board who arrive the night prior to the Board meeting in order to arrive prior to the Board meeting’s start time; however, Sections are responsible for costs incurred by the Section Directors.
3. The VP Conferences will allocate complimentary room nights received based on fulfilling minimum number of room nights to the Chapter to offset costs of Board Member room nights for the night prior to the Board meeting.

# SECTION FINANCIAL POLICIES

## CHAPTER FINANCIAL RELATIONSHIP TO THE SECTIONS

The Chapter is legally responsible for the fiscal viability of the Sections and must hold Sections accountable for the moneys distributed to them by the Chapter.

## QUALIFICATIONS AND RESPONSIBILITIES OF THE SECTION TREASURER

Any candidate for Section Treasurer should be knowledgeable in accounting procedures, including posting debits and credits into accounting software, balancing accounts and reconciling statements.

Prior to taking over as Treasurer, it is recommended that the new Treasurer have at least one training session with the Chapter accounting staff, before the new Section Treasurer begins working with the Section account(s).

The outgoing Section Treasurer shall balance all of the accounts before the transfer to the new Treasurer is made and provide a back-up of the QuickBooks Pro accounts to the new Treasurer (a .qbb file extension and/or converted to Windows version if using a Mac computer).

The outgoing Section Treasurer and Section Director will meet with the incoming Treasurer to ensure the transfer of the files and accounting software is complete and that the Section financial procedures are understood by the new Treasurer.

If for any reason a Treasurer is replaced mid-term, the Section Director will immediately contact the VP of Administration and send or review all accounting information with the VP of Administration before any accounting activities are assumed by the new Treasurer.

## REQUIRED SECTION ACCOUNTING PROCEDURES FOR CHAPTER ACCOUNTING AND TAX PURPOSES

Following the end of each quarter, the Section Treasurer shall provide the Section Board and the Chapter Accounting Services contractor with the following:

1. Profit and Loss Budget vs. Actual Report (P&L) for the dates in the quarter (e.g., 1st Qtr is dated (January 1 – March 31, 20XX) provided in QuickBooks Pro format
2. Balance Sheet Standard format with ending date for that quarter
3. Copies of statements for each checking, savings, CD, and money market account or other reserve account for each month in the quarter as well as the statement reconciliation reports for each account. These reports detail the quarterly and to-date income and expenses compared to the budget, and current assets and liabilities
4. Monthly QuickBooks Pro checking account reconciliation reports showing checks outstanding and verifying that the Section accounts are balanced with the bank balance.

The Section Board will review the latest reports at the Section Board meetings to ensure the Section Board is knowledgeable regarding the financial status of the Section. The Chapter Accounting Services contractor will review the reports to determine if they balance with the previous quarterly Balance Sheet. The Chapter Accounting Services contractor will e-mail the Section Director and Treasurer regarding any discrepancy. The Treasurer will review financial records to determine the reason for the discrepancy and correct the discrepancy, and provide revised Profit and Loss Budget vs. Actual and Balance Sheet reports to the Chapter accounting staff within two weeks of receiving notice. This information will be used to complete the Chapter tax forms and required Chapter financial reports to APA. The Section can resolve minor discrepancies (less than $1,000.00) with written approval from the Section Director to the VP of Administration. Any discrepancy or adjustment greater than $1,000.00 must be reviewed by an independent accountant (CPA) of the Section’s choosing and any direction given by the accountant to resolve the situation will be the responsibility of the Section. Sections are responsible for any cost incurred in hiring a certified public accountant.

## LINE ITEM BUDGETING

Section income and expense budget line items shall be consistent in category and format with those of the Chapter whenever possible. (See Appendix A). Separate newsletter and advertising income and expense line items will be clearly identified. Revenues, including reserves and investments, and expenses must be completely and accurately reported; net amounts are not acceptable.

## IRS REQUIREMENTS FOR FINANCIAL RECORDKEEPING

Sections shall keep hard copies of all financial reports, deposits, bills, invoices, bank statements and reconciliation reports for 7 years. These files shall be provided to each new incoming treasurer. The Section is responsible for having these records shredded after the 7-year period has passed. Recycling whole documents is not recommended.

## SECTION ACCOUNTING AND QUICKBOOKS PRO REPORT FORMATS

### INCOME

All Section income derived from programs, fees, subventions, chapter-only rebate, conference profit, and interest shall be included in the Profit and Loss Budget vs. Actual Report. Each P&L report shall include:

1. the amount received as of the statement date
2. the amount established in the current year’s budget for each income line item
3. the dollars over or under the budget for each line item, and
4. the percentage of the current year budget amount for each line item which has been received to date.

The income budget line items shall include budgeted, estimated income expected from quarterly subventions, chapter-only rebate, conference profit, programs, sales, interest and other income. Where possible, the income line items shall correspond in number and title to related expense items. Where there are corresponding expense line items, the corresponding line items shall be noted in parentheses.

### EXPENSES

All Section expenses shall be included in the Profit & Loss Statement Budget vs. Actual report. Each P&L report shall include:

1. the amount expended (paid out for each budget line item) as of the report date
2. the amount established in the current year’s budget to be expended in each line item
3. the dollars over or under the budget for each line item
4. the percentage of the current year budget amount for each line item which has been expended to date.

The expense line items shall include each expense line item for which the Section has budgeted expected expenses for programs and portfolio responsibilities. Where possible, the expense line items shall be similar in number and title to related income line items. Where there are corresponding income line items, they shall be noted in parentheses.

## REQUIRED ACCOUNTING SOFTWARE

Each Section shall use QuickBooks Pro Full Version accounting software and keep the software updated yearly. Sections may request reimbursement for the QuickBooks Pro upgrades from the Chapter if the Sections do not have the funds to buy the updates.

The original QuickBooks Pro software, along with the license number and registration information, must be retained by each Treasurer. This version shall be loaded onto each new Treasurer’s computer before restoring the back-up file provided by the outgoing Treasurer.

## FOURTH QUARTER AND YEAR-END MANDATED REPORTING

For the fourth quarter of the year, the Section shall send the Chapter Accounting Services contractor:

1. an additional Profit and Loss Statement Budget vs. Actual report and Balance sheet showing the year-end total of income and expenses
2. a list of miscellaneous line items over $500.00 identified on the year-end P&L (Jan 1 to Dec 31) and on the 4th quarter financial reports
3. the ending balance in the checking, savings and CD or other reserve accounts, noting the beginning balance of the checking account for the new year
4. the Section Budget for the new year.

The year-end information will be incorporated into the Chapter's tax return and is due by February 15.

## DUE DATES FOR SECTION FINANCIAL REPORTS TO THE CHAPTER

 FIRST QUARTER APRIL 15

 SECOND QUARTER JULY 15

 THIRD QUARTER OCTOBER 15

 FOURTH QUARTER & YEAR-END FEBRUARY 15

## WITHOLDING SUBVENTIONS UNTIL FINANCIAL REPORTS PROVIDED

Sections failing to provide the above information at the end of each quarter or year-end shall not receive their subvention checks until the information is sent to and approved by the Chapter Accounting Services contractor. Sections that provide their financial information each quarter will receive their subvention checks as soon as possible following the Chapter’s receipt of quarterly subvention deposits from APA.

If any Section fails to provide the information required above on a timely basis, or provides incomplete information, the Chapter accounting staff shall provide written notification to the Section Director and the Section Treasurer explaining the problems.

**Appendix A -- Descriptions of Budget Line Items**

**INCOME LINE ITEMS**

The income budget line items below include budgeted, estimated income expected from dues, programs, sales, interest and other income.

01 – Office Income

This section includes all income budget line items assigned to association management:

11 – Interest – Checking: interest received from the APA California checking account.

12 – Interest – Savings: interest received from any regular APA California savings accounts and interest/dividends received from American Funds reserve accounts.

14 - CPF Auction Income: income from the CPF Auction that is collected, sent to the Chapter, and then reimbursed directly to CPF.

15 - Reimbursed Expense Revenue: expenses paid by the Chapter, owed and reimbursed by another person to the Chapter.

04 – Professional Development

This section includes all income budget line items under the Vice President, Professional Development:

40 - AICP Publications: income received from the sale of the AICP Study Guides, certification maintenance CD’s, and other AICP-related information. (LI 403 and 404)

41 - Workshop Revenue: income from any Chapter-sponsored workshops and Distance Education. (LI 401)

42 - Webcast Revenue: income from the purchase of On Demand videos for AICP certification (LI 402)

05 – Public Information

This section includes all income budget line items under the Vice President, Public Information:

50 - Newsletter-Display Ads: income received from advertisements, other than calling cards, published in *Cal Planner*.

51 - Newsletter-Calling Card Ads: income received from calling card advertisements published in *Cal Planner*.

52 - Newsletter-Subscriptions: income received from subscription rates charged non-APA members who subscribe to *Cal Planner* and members who request additional subscriptions.

53 - Web Advertising: income received from on-line advertising posted on the APA California web site.

06 – Administration

62 - Xtra Awards Reimbursement: reimbursement to the Chapter to cover the cost and mailing of extra awards ordered by the award winners.

07 – Dues and Conference Profits

This section includes all income budget line items for dues income (both APA dues and Chapter-Only) and conference profits. The Chapter typically receives the APA subvention checks in February, May, August and November.

70 - Dues–National Subvention: income received from National APA based on dues paid by APA California members. (LI 900)

70.b - CM Section & Conference Reimbursement (700.b) - amount charged by National for CM fees for Chapter and Sections, to be split as follows: $1,490 will be paid by the Chapter, $1,000 by the Conference and $760 by the Sections (to be billed for reimbursement).

71 - Dues-Chapter-Only: income received from Chapter-Only dues. (LI 901)

72 - Conference Profits: net conference profits. Conference profits will be posted in the year the conference is held or the following year based on when the conference books can be closed. (LI 902)

73 - Conference Profits - Prior Year (72.b) – any conference profits received in the year after the conference.

09 - Miscellaneous Revenue

This section includes all income budget line items for income generated from miscellaneous sources:

93 - Miscellaneous Revenue: income received for products or activities not related to a specific budget line item. (LI 1003)

**EXPENSE LINE ITEMS**

The following lists each expense line item for which APA California has budgeted expected expenses for programs and portfolio responsibilities.

1000 – Office

This section includes all expense budget line items for costs incurred to manage the Chapter’s business affairs, including expenses related to the Executive Director and other Chapter staff.

100 - Management Services: contract fee for professional Chapter management services.

101 - Operations-Miscellaneous: miscellaneous direct costs incurred in operating the Chapter offices other than those specific expenses listed in line items 102-112.

102 - Board Meeting Expense: expenses for Board members attending Board meetings.

103 - Insurance Premium: Chapter portion of the yearly premium for Chapter/Section/CPF liability and Directors and Officers insurance, and all insurance-related premiums.

104 - Board Retreat Expenses: expenses for Board members attending the annual Board retreat.

105 - Executive Board Conference Registration Reimbursements: placeholder, should the Board decide to compensate for discounted conference registration fees for Board members.

106 - Reimbursed Expense: expenses incurred by the Chapter that are reimbursed by the owing party. (LI 15)

107 - Phone/Fax: all phone and fax expenses.

108- Office Supplies: all office supply expenses.

109 - Postage: all postage expenses except as noted in other line items (i.e. LI 104 and 601).

110 - Printing: all printing expenses except as noted in other line items (i.e. LI 503 and 601).

111 - Copies: all copy expenses.

112 - Storage: storage fees charged by the storage facility used by the Chapter management firm to store APA California files and non-archived materials.

113 - Merchant Credit Card Fees: fees associated with processing credit card payments.

117 - General and Accounting Management Services: contract fee for professional general and accounting management services.

118 - Member and Certification Maintenance Services: contract fee for professional association member and CM services.

2000 – President

This section includes all expenses incurred by the President in carrying out his/her duties and administering programs under the President’s portfolio:

200 - President: expenses and travel costs incurred by the President to attend Section meetings, meet with affiliated organizations or pay for expenses related to special programs or projects.

201 - President’s Travel: travel costs and expenses incurred by the President or his/her designee to attend APA Chapter Presidents Council meetings

202 - President-Elect/Past President: costs incurred by the President-Elect or Past President for travel and other miscellaneous expenses.

204 - Student Representative Expenses: expenses incurred by the Student Rep for student programs and conference expenses.

3000 – Policy and Legislation

This section includes all expenses incurred by the Vice President for Policy and Legislation in carrying out his/her duties and administering programs under the Policy and Legislation portfolio. This section also includes contract fees for the Chapter’s professional lobbying firm.

300 - Lobbying Services: contract fee for professional lobbying services.

301 - FPPC Quarterly Filing Fees: fees associated with the cost of lobbying firm to file quarterly Fair Political Practices Commission reports.

302 - VP Policy & Legislation/Legislative Review Team: travel costs and expenses incurred by the VP Policy and Legislation and lobbyist to attend Legislative Review Team meetings; mileage reimbursement for Legislative Review Team members; other expenses incurred for legislative and policy related meetings, events and programs.

303 - National Legislative Representative: registration and travel costs incurred by the National Legislative Representative to attend the National APA annual conference and National legislative workshops and conferences.

4000 – Professional Development

This section includes all expenses incurred by the Vice President for Professional Development in carrying out his/her duties and administering programs under the Professional Development portfolio:

400 – VP Professional Development Expense: costs incurred by the VP for travel and other miscellaneous expenses (other than costs related to workshop programs).

401 - Workshops: costs incurred in organizing and advertising workshops, including management staff services. (LI 41)

402 - Webcast: costs incurred to provide the Distance Education videos for AICP certification. (LI 42)

405 - AICP Publications: expenses incurred to purchase the AICP Study Guide from APA. (LI 40)

5000 – Public Information

This section includes all expenses incurred by the Vice President for Public Information in carrying out his/her duties and administering the programs under the Public Information portfolio, including but not limited to Cal Planner and Chapter website expenses.

500 - News & Design Services: contract/design services for the digital Cal Planner provided by the professional publications firm.

501 - VP Public Information Expense: costs incurred by the VP for travel and other miscellaneous Public Information expenses.

503 - News Production: production costs for non-*Cal Planner tasks, such as* awards inserts, document graphics and other membership announcements as requested and authorized by the Board, and any additional direct expenses incurred by a professional publications firm.

506 - Newsletter Management Services: expenses for calling card invoicing and management services provided by Chapter contractor. Costs offset revenue to reduce UBIT taxes.

508 - Webmaster: contracted fee to professional management firm to oversee, maintain and improve the Chapter website; and, coordinate/manage Chapter email notifications to membership.

509 - Award Program Website Update: contracted fees associated with a professional management firm to coordinate and maintain the Awards Program website information.

511 - Directory Maintenance: expenses to manage and invoice for on line consultant directory. Costs offset revenue to reduce UBIT taxes.

512 - Website Hosting/Support Services: contracted fees associated with a professional management company to host the Chapter website and provide maintenance support services of third party website components.

513 - Website Maintenance: costs incurred to maintain and further develop Chapter website in addition to contracted services for Website Hosting/Support Services (additional programming).

6000 – Administration

This section includes all expenses incurred by the Vice President for Administration in carrying out his/her duties and administering the programs under the Administration portfolio, including but not limited to accounting services.

600 - VP Administration Expense: costs incurred by the VP for travel and other miscellaneous expenses (other than those incurred for the awards program).

601 - Awards: costs incurred by the VP Administration for travel and other expenses related to the Chapter Awards Program, including but not limited to travel costs for the VP Administration, State Awards Coordinator and the Awards Jury and purchase of the awards themselves.

602 - Extra Award Expenses: costs reimbursed by award recipients for the purchase of more than one award. (LI 62)

603 - Accountant/Tax Services: yearly fee for professional accounting firm to perform an audit reconciliation or other review of Chapter accounting records and policies, and preparation of the Chapter’s tax returns.

606 - Reserves/Savings Contributions: transfers to the Chapter’s savings account (reserves).

609 - UBIT Tax-Unrelated Business Income Tax: taxes paid on income/revenues received from activities not related to the tax exempt purpose of the Chapter, such as advertising income. APA California is a 501 (c) (6) organization.

610 - Membership Financial Support – Dues: funds to assist planners in need to offset dues during economic downturns or due to job loss when approved by the Board in the Chapter budget.

611 - Membership Financial Support – Conference: funds to assist planners in need to offset conference registration fees during economic downturns or due to job loss when approved by the Board in the Chapter budget.

612 - Annual Report: contracted fees with graphic designing firm to coordinate, design and print the Annual Report

7000 – Section Subventions

This section includes expense budget line items for the following funds collected by the Chapter and rebated to the Sections.

700 - Section Dues Rebates: the Sections’ share of membership dues received from APA by the Chapter. (LI 90)

700.b - CM Section & Conference Reimbursement (70.b) - amount charged by National for CM fees for Chapter and Sections, to be split as follows: $1,490 will be paid by the Chapter, $1,000 by the Conference and $760 by the Sections (to be billed for reimbursement).

701 - Section State Conference Rebate: the share of conference profits disbursed to the host Section and other Sections. (LI 92)

701.b · Section State Conference Rebate - Prior Year (72.b) – allocations to Sections of any conference profits received the year after the conference.

702 - Section Chapter-Only Rebate: the Sections’ share of Chapter-Only dues. (LI 91)

9000 – Other Expenses

900 - Chapter Historian: costs incurred by the Chapter Historian(s) for printing, mailing, travel and other expenses incurred to conduct the Chapter Historian program, and to maintain the APA California Archives.

901 - CSUN Student Scholarships: scholarship funds for CSUN students working on the Chapter archives, when budgeted and approved by the Board.

902 - CSUN Archives: amount provided to UC Northridge to archive historical APA California documents.

904 - Miscellaneous Expenses: expenses incurred for programs or projects not otherwise included in an existing line item. (LI 103-R)

906 - PEN Expenses: expenses incurred by the Planner Emeritus Network for programs and communications.

10000 –Commission and Board Representative

This section includes all expense budget line items for the Commission and Board Representative.

1001 – Commission & Board Representative: costs incurred to carry out his/her duties under this portfolio.

20000 – Conferences

This section includes all expense budget line items for the Vice President for Conferences not directly related to direct conference expenses.

2002 - VP Conference Expenses: costs incurred by the VP for travel and other miscellaneous expenses to carry out his/her duties under this portfolio.

30000 - Marketing and Membership

3001 - VP Marketing and Membership Expense: expenses incurred by the VP Marketing and Membership to carry out his/her responsibilities under their portfolio.

3002 - Membership Inclusion: costs incurred by the Northern and Southern Membership Inclusion Directors to carry out his/her responsibilities.

3003 - Young Planners Group: costs incurred to support the Young Planners Group and related programs.

3004 - Great Places: costs incurred to identify and publicize the Chapter’s Great Places award each year.

3005 - University Liaison: costs incurred by the University Liaison to coordinate and communicate with accredited universities.

3006 - Public Relations Program: contracted fee by professional public relations firm when budgeted.