



**Hawaii Association of Nurse Anesthetists
Internal Control Policy
Adopted June 12, 2018**

Banking

Duties	Description	Completed By	Internal Control
Bank Reconciliations	Monthly reconciliation of all bank statements	Independent Accountant	This should be done by someone who does not handle cash, receive payments, pay bills, write checks, or sign checks.
Signors	Sign checks	President Treasurer Need a third signor	Signors on the Bank Accounts should not sign their own checks Require two signatures on all checks greater than \$10,000
Record Deposits	Record deposit in QBO	Treasurer	Deposit should be taken to the bank by the President or the Administrative Assistant
Bank Deposit	Take the deposit to the bank and return the deposit receipt to attach with the deposit records	President or Administrative Assistant	Bank deposits match the deposit made in QBO. The treasurer should record the deposit in QBO.
Check Writing	Treasurer writes the checks and enters them in QBO attaching all receipts to the transactions in QBO	Treasurer	Independent Contractor matches all check and makes sure all receipts are attached to each bank transactions in QBO

Expense Approval

Duties	Description	Completed By	Internal Control
Reimbursement Form Approval	All travel and other reimbursements should have all receipts attached with the request form.	Applicant for Reimbursement	Approved by the treasurer or president. The treasurer and president may not approve their own forms.
Budgeted Expenses	The president and treasurer will uses the budget who they best see fit to meet the needs of the association. Spending not to exceed the budgeted amounts	Treasurer/ President	Board of Directors approval of the financial statements to include the statement of activity budget vs actual report.
Board Approved Contracts	Invoices are already approved by the board of directors, but should not exceed the scope of the contract.	BOD, Treasurer, and President	Invoices from any contracted individuals or entities should be review by the president and treasurer before payment.



Discretionary Funds	Unbudgeted receipts/invoices may not exceed \$250 per single transaction or a total of \$1,000 per year	Treasurer and President	All unbudgeted receipts and invoices must be presented at the next board meeting and will be traced with the statement of activities budget vs actual overages.
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1099's

Duties	Description	Completed By	Internal Control
1099's	Annual Processing of 1099's	Independent Accountant	Amount should match total invoices paid via check during the year.

Fixed Assets

Duties	Description	Completed By	Internal Control
Fixed Asset Purchases	Any fixed asset purchases must be approved by the board of directors	Treasurer/ President	Approved By the Board of Directors
Annual Fixed Asset Inventory Count	Fixed assets should be inventoried annually and any missing or obsolete fixed assets should be removed	Treasurer	Physical count made. Assets should be marked or labeled for identification purposes
Depreciation	Assets should be depreciated according to their useful life	Independent Accountant	Should match annual tax return form 990

Credit Card

Duties	Description	Completed By	Internal Control
Association Credit Card	Credit card with a limit of \$20,000 to be used for expenses not able to be paid by check or ACH (bank transfer).	Treasurer and President	All credit card receipts need to be turned in before the statement can be paid. Treasurer to review president's receipts and president to review treasurer's receipts.

Financial Statements

Duties	Description	Completed By	Internal Control
Review petty cash reconciliations	Check petty cash reconciliations	Independent Accountant	Ending balance matches the balance sheet
Check Depreciation Schedule	Reconcile accumulated depreciation with the depreciation schedule	Independent Accountant	Ending Accumulated Depreciation matches the balance sheet
Review Income	Review income for reasonableness and correct classification	Independent Accountant	Income matches Deposits
Review Expenses	Review Income for reasonableness and correct classification	Independent Accountant	Expenses match bill payments



Run % of Income	Review of reasonableness and areas of weakness/improvement	Independent Accountant	Profits should increase over time
Financial Statements	Prepare the monthly financial statements for the board and present to the board of Directors	Independent Accountant	Board of directors review the financial statements monthly and vote their approval
Annual Budget	Prepare and follow an annual budget	President, Treasurer, and Independent Accountant	Board of directors approve the budget and review budget vs actual statement of activity reports at each meeting.
Review and Audit	AANA requires all state associations to get a review or audit every 3 years.	Independent CPA or CPA Firm selected by the BOD	A review or audit will be done every three years, altering between a review and an audit. A review will be done every six years and an audit will be done every six years.