



## Hawaii Association of Nurse Anesthesiology Internal Control Policy

### 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	Deposits 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. Any spending for the Association must be authorized by the president or treasurer and fit within the budget and discretionary fund requirements before the money is spent.	Applicant for Reimbursement	Form must be approved by the treasurer or president. The treasurer and president may not approve their own forms.
Budgeted Expenses	The president and treasurer will use the budget how they best see fit to meet the needs of the association. Spending	Treasurer/ President	Board of Directors approval of the financial statements to include the statement of activity budget vs actual report.

	is not to exceed the budgeted amounts		
Board Approved Contracts	Due diligence is required by the board before signing a contract, they must first complete a fair and objective bidding process. 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.
Unbudgeted Expenses	Unbudgeted expenses beyond the discretionary fund allowances must be authorized by the finance committee before spending.	Finance Committee	Board Minutes must include approval of all unbudgeted expenses outside the scope of discretionary funds.

#### 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 for 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	Finance Committee review the financial statements quarterly and vote their approval. To be presented Quarterly to General Membership meetings.
Annual Budget	Prepare and follow an annual budget	President, Treasurer, and Independent Accountant	The finance committee must approve the budget and review budget vs actual statement of activity reports at each meeting.
Form 990	Form 990 Due May 15 of the following year.	Independent CPA or CPA Firm selected by the BOD	Tax return presented to the board and filed with the IRS.
Compilation, Review or Audit	AANA requires all state associations to get an external compilation, review or audit at least every 3 years.	Independent Accountant	Quarterly financial statements are compiled by an independent accountant and presented to the board.