UNITING OUR MEMBERS AND THE NATION

Empowering leaders, educating students, strengthening communities

Sound Fiscal Policies, Sound Fiscal Protocols and Sound Fiscal Procedures Equals a Fiscally Sound Association!

Paul McCorkle, CFO/CIO
South Dakota Education Association
COMPETENCY: Strategy & Fiscal Health

• NEA Leadership Competency Progression Level:
  – Level 2: Mobilizing & Power Building - Promotes a culture that recognizes the importance of fiscal responsibility; and ensures association bylaws, other governing documents and policies support financial health

• NEA Leadership Competency Theme:
  – Understands the interdependency of strategic planning, budget development, and business policy
NEA Strategic Goal and NEA Organizational Priority

• NEA Strategic Goal
  – Strategic Goal 1: Strong Affiliates for Educator Voice and Empowerment

• NEA Organizational Priority
  – Early Career Educators
Who am I?

- Paul McCorkle, CFO/CIO of South Dakota Education Association
- Policies, Protocols and Procedures are important to help safeguard the association from fraud and allows for more transparency
Why is it Important to have Policies, Protocols and Procedures?

- Safeguards
- Checks and Balances
- Good Stewardship
First! Some Basics

- Do you have procedures in place?
- What might be some basic procedures a local should have?
Outline briefly the process of paying a bill in your association
Best Practices

• Create and ratify a budget

• Deposits
  – Who deposits the money
  – Treasurer or someone else?
Best Practices cont.

• How soon are deposits made after the money is received?

• Vouchers - what are they and how are they used?

• Checks - how are they handled?
Best Practices cont.

- Bank statements and reconciliations
- Financials - who and when?
- How do you do this in your local?
- Develop a routine
The Dreaded Audit

- Why?
- Who?
- What are they looking for?
- Frequency?
- Who receives the audit?
We’ve talked about some of the very basics, now let’s talk about what are some policies your association should have.

Remember – these are Best Practices.
The Ultimate Document

• Bylaws
  – Make sure you understand your bylaws as they usually contain the framework for which guides your organization
More Guidance

• Board Policy
  – Directs the organization, but not the detail

• Protocol
  – Actions/steps taken

• Procedure
  – The actual step by step process
Examples

• Dues Policy
  – Establishes how much and how collected

• Dues Protocol
  – General steps - What steps we take if there are dues that need to be collected

• Procedure
  – Step by step process – the “how to”
Typical Policies

- Review bylaws
  - Frequency bylaws are reviewed

- Review policies
  - Frequency policies are reviewed
  - Do they meet LMRDA standards?
Typical Policies cont.

- Budget safeguards
- Travel policy
  - Allowable expenses for travel
Additional Policies

- Expense vouchering
- Investment policy – short-term and long-term
- Operational reserve fund
- Designated funds
Additional Policies cont.

• Conflict of interest
• Document retention policy
• Harassment policy
• Cyberfraud
Protocols

- Membership cancellation
- Grants
- Media
Procedures

- Deposits
- Accounting
- Processing dues receivable
- Processing membership
Want Any of the Handouts?

Email Paula Purdy
ppurdy@nea.org

Mention the Session Name:
Sound Fiscal Policies
Session Outcomes

The content from this session can be used in the following ways in your current position/role:

– Structure to protect dues dollars
– Transparency to your membership
– Strengthen and stability of organization
Contact Information

Thank you for attending

Paul McCorkle
paul.mccorkle@sdea.org
605-224-9263
Closing

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