

Finance and Management Committee

General

1. Responsible to the Board of Directors for overseeing the fiscal policies and procedures for the Association, including
 - a) Budgeting
 - b) Auditing
 - c) Investments
 - d) Dues structure
 - e) *Evaluation of paid staff*
2. The Chair of this committee is the Immediate Past President. The committee members are the Executive Committee of the Board and two additional members, a state representative and a section Chair, ~~nominated and elected~~ **appointed** at the first Board meeting where the new officers assume office. The Executive Secretary serves as an ex-officio non-voting member of this Committee.
3. The Chair **and the President** ~~reviews the monthly "bills to be paid" list sent by the Executive Secretary and approves or disapproves their payment expeditiously to the Executive Secretary. Also reviews the monthly~~ **quarterly** printouts of financial transactions (income/expenditures) to keep apprised of the financial obligations, cash flow, etc. (Board of Directors 1/6/96)

Post-Conference Duties and Activities

1. Reviews the budget of the previous administration and notes actual expenses versus budgeted expenses. Based on this analysis and a prediction of expenses, insofar as future costs and planned activities are concerned, a budget will be formulated tentatively for the next calendar year. This will include all monies to be spent by the Association or any Section thereof with the exception of funds managed by the Conference Planning Committee.
2. Budgets seed money for the annual conference.
3. Chair presents the tentative version of the budget for the coming calendar year at either the last Board of Directors meeting of the old calendar year or the first Board of Directors meeting of the new calendar year, providing a detailed narrative of anticipated income and expenses. The previous year line-item budget will remain in effect until a new budget is approved.
4. Approves retainment of a CPA firm to audit the Association's financial resources every 3 years. (Board of Directors 5/14/88)

Conference Duties and Activities

1. Provides annual report in conformance with reports section of this manual as appropriate.
2. ***Provides a written summary of the staff evaluations and a recommendation for the reappointment of the staff at the first meeting of the Board of Directors at the annual conference.***

3. Transfers pertinent Committee records and documents to the incoming Committee Chair.
(May 1978; May 1984; April 1995; Jan. 1996)

MPLA Dues Structure

The MPLA Finance Committee recommended and the Board of Directors and the membership voted to adopt the following dues structure for the association effective January 1, 1997:

Personal

\$15.00 base w/\$1 for every \$1,000 of salary above \$15,000

Retiree, Student, Trustee

\$15.00/yr

State Library Associations

\$100.00/yr

Institutional

Total annual budget:

under \$100,000 -- \$50/yr

\$100,000-299,999 -- \$75/yr

\$300,000-499,999 -- \$100/yr

\$500,000-up -- \$125/yr

Dues are payable on January 1 of each year. Members who fail to renew their membership by April 1 of each year will be dropped from membership rolls.

(Mar. 1996)

MPLA Audits

The MPLA Finance and Management Committee will ensure the financial viability of the association by:

1. *Conducting annual reviews of the association business transactions*
2. *Hiring a Certified Public Accountant every three (3) years to conduct an audit of the Association's financial records. This should be done before March 1 in the following years: 2005, 2008, 2011, 2014, etc.*
3. *The committee chair will work with the Executive Secretary in retaining a firm to conduct the audit. The audit shall be the standard minimum audit including balance verification, verification of records, and verification of the Executive Secretary's bond.*
4. *A copy of the audit shall be forwarded to the Finance and Management Committee members immediately upon completion. Any items listed in a management letter will be addressed by the Committee.*

~~The MPLA Finance Committee recommended and the MPLA Board of Directors adopted the following statement on January 26, 1984 (rev. 7 January 1995):~~

- ~~1. That minimum standard audits be carried out annually.~~
- ~~2. That the audits be carried out by a CPA firm every 3 years.~~

- ~~3. That a CPA firm in the immediate locale of the Executive Secretary be retained to audit the books of the Association and that this be done before 1 March in the year following the year on which the audit is to be performed. The Executive Secretary shall check with and obtain the approval of the Chair of the Finance Committee regarding the firm to be used and shall be responsible for making sure that said audit is carried out in the appropriate years. A copy of the audit shall be forwarded to the Chair of the Finance Committee immediately after it is completed. (This item was approved by the Board of Directors on May 1, 1984 and inserted herein.)~~
- ~~4. That CPA audits be standard minimum audits (balance verification, sampled verification of records, and verification of Executive Secretary's bond).~~
- ~~5. That member conducted audits expand the standard minimum audit to include greater emphasis upon verification of expenditures and receipts and compliance with MPLA financial policies.~~
- ~~6. That expenses for member conducted audits be limited to \$100.~~
- ~~7. That the audit report be published annually in the MPLA Newsletter.~~

Guideline Statement on Investment of MPLA Funds

The MPLA Board of Directors recognizes the importance of maximizing the return on accumulated Association funds which are temporarily not being used for programs and activities. In like manner, it recognizes that the tax exempt status of the Association would probably preclude investments which, while financially sound, might hint of a "for profit" gain which could be construed as unaligned with the intent and purpose of the organization.

Therefore, it will be the investment policy of this Association, and to whom it delegates the authority to handle its funds, to secure the maximum available profit from commercial sources for all funds temporarily not needed. Currently, money market investments have proven reasonable investments; in the future, there may be other approaches within the parameter of allowable use as determined by the IRS status of the Association.

To assure that sufficient funds are available to meet the ongoing expenses of the Association without maintaining large non-interest bearing balances in the checking account, a money market fund should be established in which a reasonable level of relatively fluid money is available for current expenses obviating the need for the association to borrow money to avoid losing interest or paying penalties for the early withdrawal of funds from longer-term investments. (Board of Directors 1/6/96)

It is recognized that loans by the Association to any personal member could create conflicts which might result in embarrassment to the Association and to the individual concerned. All such activity should be avoided.

Conversely, it is recognized that loans by personal members to the Association could create conflicts which might also result in embarrassment to the Association and to the individual concerned. All such activity should be avoided.

(Oct. 1980; Jan. 1995; Jan. 1996)

MPLA Credit Card

The following guidelines were developed by the MPLA Finance Committee with regard to the MPLA credit card:

1. A bank credit card in the name and financial responsibility of MPLA is authorized to be held and used only by the Association's Executive Secretary.
2. The MPLA credit card is to be used only for activities directly related to an Association meeting or event for the charge of expenses which cannot be handled conveniently through a reimbursed transaction. The Executive Secretary may use the charge account to assume authorized expenses of Association officers or other members when a reimbursement process is not expedient.
3. Original monthly account statements identifying all charges and related payments are to be kept on file for audit.
4. A current status fiscal note on the charge account should be included in each periodic Association financial statement prepared for the Board of Directors.
(Adopted by the Board of Directors 12/17/84.)