

**Friends of Rockbridge Swimming
Financial Governance Framework**

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The purpose of this document is to promote financial integrity in the operations of Friends of Rockbridge Swimming, Inc (“FOR Swimming”) by formally articulating a financial governance framework. This financial governance framework aims to establish a set of robust controls appropriate to the size and nature of our operations that minimizes the risk of financial integrity issues.

The key parties involved in the financial governance framework are:

- Aquatics Director
- Treasurer
- Finance Committee
- Board of Directors

The financial governance responsibilities of each are described in detail below.

Aquatics Director

The Aquatics Director has primary day-to-day responsibility for managing the finances of FOR Swimming, typically performing such duties as receiving monies from pool patrons and donors as well as writing checks to pay for the various operational needs of FOR Swimming.

In general, the Aquatics Director has the following financial governance responsibilities:

- Entering all financial transactions into the accounting/bookkeeping software in a timely manner – i.e., at least weekly
- Informing the Finance Committee of any recoding or reclassification of line items in the budget.
- Maintaining a repository of bank account statements for at least 5 years
- Maintaining supporting documentation of all financial transactions for at least 5 years

In addition to the above general financial governance responsibilities, the paragraphs below describe such responsibilities as specific to making deposits and disbursements to our finances.

Deposits

The Aquatics Director or Designee has the following financial governance responsibilities:

- Monies received are to be recorded and deposited regularly, with each receipt categorized by purpose
- Regular ACH transfers (for pool memberships) are to be reviewed monthly for accuracy

Disbursements

The FOR Swimming bylaws state that: *“All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation shall be signed by the Aquatics Director for amounts up-to and including five-thousand dollars (\$5,000.00). Checks, drafts, or other orders for the payment of money in excess of five-thousand dollars (\$5,000.00) will require an additional signature by one of the officers of the corporation.” (Article 4C)*

In addition to the controls already present in the bylaws, the Aquatics Director or Designee has the following financial governance responsibilities:

- For regular bills, set up automatic/electronic payments with vendors wherever possible (e.g., electricity, gas, etc.)
- All payments (e.g., by check, draft, credit card, etc.) must specify the purpose of the payment (e.g., swim instruction, HVAC repair, etc.) and, where relevant, be accompanied by any receipt/invoice/other documentation.

Treasurer

Consistent with the general responsibilities described in the FOR Swimming bylaws, the Treasurer has the following financial governance responsibilities:

- Review all financial transactions and bank statements; if deemed necessary, the Treasurer may compare financial transactions to other relevant sources (e.g., pool sign-in device)
- Prepare and/or have oversight over the preparation of materials for review by the Finance Committee, including bank statements, profit/loss statements, individual line item details

Finance Committee

Since the Treasurer has authority to make *deposits* and *disbursements* on behalf of FOR Swimming, additional controls are deemed prudent for financial integrity. The Treasurer will be a member of the Finance Committee but will not chair the committee.

The Finance Committee has the following financial governance responsibilities:

- *Review all reports prepared by the Treasurer*
- *Ensure that financial transactions are consistent with the FOR Swimming' mission statement.*
- Review financial statements regularly and request any additional information deemed necessary to have confidence in financial integrity
- Present a summary of the organization's finances to the full Board monthly.

Board of Directors

The Board of Directors shall:

- Engage in the services of an individual or entity independent of FOR Swimming to review our financial statements.
- The Board of Directors may delegate the task of engaging an independent review to the Finance Committee.
- Review the reports of the Finance Committee and the Treasurer and request additional information when necessary.