



**VIRGINIA HEALTH INFORMATION MANAGEMENT  
ASSOCIATION  
POLICY & PROCEDURES**

<b>POLICY:</b>	Finance		
<b>EFFECTIVE DATE:</b>	July 1, 1997	<b>REVISION DATE:</b>	May 2011

The Virginia Health Information Management Association [VHIMA] is committed to sound financial management.

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**I. POLICY: Operating Budget**

An Operating Budget will be prepared by the Treasurer for submission to the VHIMA Board of Directors at the annual Strategic Planning Meeting for approval.

**PROCEDURES:**

1. The President-Elect will schedule a budget meeting, *if needed*, that shall be attended by the current president, treasurer, incoming treasurer and other board members, as necessary.
2. The line item budget shall include details that outline specific revenue sources and specific budgeted expenditures within each expense category.
3. All revenue and expenditures are to be managed through the operating budget and in accordance with the VHIMA Financial Policy. Approval or modification of the budget requires a simple majority approval of the board members at a regular meeting or at a special meeting, where a quorum is present.
4. Emergency, non-budgeted expenditures that do not exceed \$1,000, may be verbally approved by a majority of the directors. Formal approval will take place at the next regularly scheduled or called board meeting.
5. The VHIMA accounts for revenues and expenditures on a cash basis.

**II. POLICY: Financial Records**

The VHIMA Treasurer will maintain the following accounting records:

1. Checkbook
2. Cash receipts and disbursements book
3. Monthly bank statements and monthly reconciliation records



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4. Monthly investment account statements
5. Invoices and reimbursement requests to support all expenditures.
6. All financial records of the association will be maintained for 5 years. The VHIMA document of incorporation and other key historical information should be maintained permanently.

**III. POLICY: Budget and Variance Reporting**

The VHIMA Board of Directors shall be kept well informed of the financial position of the association through regular financial statements. The treasurer will prepare monthly financial statements showing budget operations for the current financial year.

1. The monthly financial statements for the board will reflect the following for each revenue and expenditure line item:
  - a. Year to date actual expenses
  - b. Budgeted expenses
2. At the end of each fiscal year, the treasurer will prepare an annual summary report for board review and for use in filing the annual Federal 990 Tax Return.

**IV. POLICY: Audit of Records**

The VHIMA receipts, disbursements and cash balance should be audited annually by the Finance Committee with an audit by a Certified Public Accountant every 3 years, or an annual review of the records by a Certified Public Accountant during tax preparation and filing. The Finance Committee, consisting of the President-Elect, Treasurer, Director, 1st and 2nd year Delegates, should complete an audit within 60 days of the fiscal year-end.



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Audit results will be prepared in the form of a written report and presented to the board of directors. The audit report, as well as audited financial statements, will be made available to the VHIMA membership upon request.

**V. POLICY: Accounting Procedures**

The VHIMA will use Generally Accepted Accounting Procedures {GAAP} in the management of its finances.

The computer program *QUICKEN* is the computer financial management software used to manage and track all financial accounts. The budget spreadsheet is prepared in *LOTUS*.

1. The treasurer will meet annually with the Finance Committee to review the committee's audit findings and recommendations.
2. A report will be prepared by the treasurer on the Finance Committee's recommendations and any procedural changes for the board of directors.

**VI. POLICY: Investments**

The VHIMA will invest funds in reserve or excess to achieve the following objectives:

- Assure maximum safety of the principal while,
  - Attaining an optimal return on invested funds
1. The responsibility of managing the association's investment funds rests with the treasurer.
  2. Approved investment accounts are:
    - Certificates of Deposit
    - US Government Securities
    - Corporate Bonds
  3. The investment policy is reviewed by the Finance Committee, annually. All changes in investment strategy is approved by the board of directors.
  4. Reports of investment performance shall be included in the monthly financial report to the board of directors.



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**VII. POLICY: Expense Reimbursement**

**A. Travel & Meeting Registration**

The VHIMA will pay for the following meeting and travel expense and registration fees, as the budget allows at least annually:

1. Leadership Conference: Registration, travel and meal expenses for the VHIMA president and president-elect. The president-elect will attend if only one person is sent to the conference.
2. House of Delegates -National Convention: Expenses to include travel, registration, lodging and expenses for three days. The VHIMA President will be reimbursed for the entire convention.
3. Team Talks: Travel, lodging and meal expenses for two board members {delegates} to attend two team talk meetings.
4. State Convention:
  - Officers*: Registration, lodging and meals will be provided for the VHIMA President, Past President, President-Elect, Secretary, 1<sup>st</sup> and 2<sup>nd</sup> Year Delegates, Arrangements and Program chairperson and Treasurer, pending Board approval.
  - Speakers*: Travel, lodging and meals are provided, as defined in VHIMA/Speaker agreement. Personal auto reimbursement for speakers will be reimbursed at the current IRS allowable rate.
5. *Students*: Registration is free to any student that is currently enrolled in an accredited HIM program and is working toward an AHIMA credential. Food and lodging are not provided.
6. Other Meetings:
  - Strategic Planning*: To be determined, annually
  - Finance Committee*: To be determined, annually

**B. Other Expense Reimbursement**

The VHIMA will pay expenses for the following:

1. Nominating Committee expenses for postage and balloting.
2. Publication and mailing costs for the VHIMA News.
3. Reproducing costs of the VHIMA Directory and Legal Manual.
4. Phone, stationary, other postage.
5. Board Meetings to include lunch.
6. Secretary & Treasurer operating expenses



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**PROCEDURES:**

1. The VHIMA member shall submit a written request for reimbursement to the treasurer. (See attached reimbursement request form)
2. Reimbursement for travel expenditures will be as follows:
  - a. Personal auto – current IRS rate
  - b. Other travel – actual cost, i.e., coach airfare, room and board, cab.
  - c. The VHIMA will not reimburse for personal expenses, such as, laundry, personal phone calls, entertainment, etc.

**VIII. POLICY: Reserve Funds**

The VHIMA shall maintain a minimum of six months operating expenses in reserve. The appropriate amount of reserve funds to be maintained will be based on the most recent fiscal year’s operation.

**PROCEDURE:**

The treasurer will review the monthly financial statements and budgets to ensure compliance with the reserve policy. The treasurer will notify the board of directors when compliance with the policy is in jeopardy.

**IX. POLICY: Program Registration Fees and Refunds**

*Fees:* The VHIMA will charge program registrants a registration fee that is appropriate for the sound management of the association.

*Refunds:* The association shall refund any meeting registration fee when a member/registrant submits a request to the program chairman at least 10 days prior to the meeting date. If notification is less than 10 days prior to the meeting date, registration fees less cost of food will be refunded. In the event a meeting is canceled, all registration fees shall be refunded to registrants.

**PROCEDURE:**

The treasurer and program chairman shall recommend a charge structure for educational program registration fees at the time of the budgeting process and other times, as necessary.



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**X. POLICY: Depository Institutions**

The VHIMA treasurer shall maintain all checking and investment accounts in a financial institution covered by FDIC or FSLIC insurance with authorized signatures for the withdrawal of those funds.

**XI. POLICY: Approvals/Signatures**

The VHIMA treasurer and president shall complete signature authority approval forms to sign checks for the organization. The treasurer or president shall not issue any checks for self-reimbursement, unless board approval is first obtained.

**XII. References**

AHIMA Leadership Manual  
Component State Association Manual