



Henry Ford Community College Adjunct Faculty Organization

Statement of Financial Practices

Internal controls are necessary to safeguard an organization's assets and to ensure the integrity and accuracy of its records. Accordingly, the HFCC-AFO Executive Board approved the list of "best financial practices" shown below at its April 16, 2010 meeting.

1. Two signatures are required on all checks and bank accounts.
2. The Treasurer and/or Financial Records Secretary shall provide a written financial report at every regularly scheduled Executive Board Meeting and at every General Membership Meeting.
3. An annual audit must be performed by an internal audit committee. At least once every five years, the organization's financial records must be reviewed by an external accountant.
4. An annual budget must be prepared by the Executive Board and approved by the membership at the Winter Semester General Membership Meeting each year.
5. The Financial Records Secretary (who only rarely signs checks) shall reconcile monthly bank statements for all AFO accounts.
6. All large, unusual or non-budgetary expenditures must be approved by the Executive Board before disbursement.
7. Adequate reserves must be kept available in the event of cash shortfalls.
8. Deposits must be made as soon as possible after the receipt of checks or cash.
9. No checks from AFO accounts should be made payable to "Cash" unless approved by the whole Executive Board. No petty cash account shall be kept.
10. Credit cards will not be provided to AFO officers or staff.
11. Original documentation is required for all disbursements.
12. Duties involving disbursements and other financials tasks should be segregated as much as possible.
13. Checkbooks and financial records must be kept in a secure location, accessible only to the Treasurer, Financial Records Secretary, President and Staff Organizer.
14. Checks must be written in sequential order and should never be pre-signed.
15. Executive Board minutes must indicate any approvals/discussion of a financial nature.
16. The AFO shall avail itself of all insurances (i.e. a Fidelity Bond, which insures the local against employee dishonesty) as recommended by the AFT and made available by the AFT.
17. A written accounting and procedures manual will be developed.