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## **207.1 General**

The purpose of the Finance Program is to oversee the financial condition of the organization and prepare the annual budget.

The Finance Program is administered by the Finance Committee.

## **207.2 Finance Committee Composition**

The Chairman of the Finance Committee is the IAC Treasurer.

Other committee members include:

- IAC President,
- IAC Vice President,
- IAC Executive Director, and
- two other Board members selected by the IAC Treasurer and serving at the pleasure of the IAC Treasurer.

## **207.3 Annual Budget**

### **207.3.1 Timeline**

The Finance Committee will present to the board budget proposals for each fiscal year.

### **207.3.2 Approval and Revision**

The IAC Board of Directors has final authority over the annual budget.

Approval of the budget will normally be accomplished at the Fall Board meeting.

The budget can be revised by the IAC Board of Directors at any time

### **207.3.3 Net Income Guidelines**

The Finance Committee shall recommend budgets that yield a net income the greater of the following:

- Three percent (3%) of gross income.
- Working capital to produce six months expenses.



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Working capital is defined as current assets minus current liabilities not including prepaid items, deferred expenses and deferred membership fees. The intent of this standard is to have sufficient net working capital to operate for one year with no degradation in member services in the event of a calamity.

**207.3.4 Dues**

The Finance Committee shall propose specific dues increases to keep pace with inflation, such that:

- Annual dues shall be maintained at or above \$75/year in 2025 dollars.
- Lifetime dues shall be maintained at no less than 20 times the annual rate.

**207.3.5 Sanction Fees**

The Finance Committee shall propose sanction fee changes as needed to support the IAC's revenue goals.

**207.4 Financial Statements**

- 207.4.1 The Treasurer receives monthly preliminary and final financial statements from the EAA Finance Department.
- 207.4.2 The Treasurer will supply the most recent available financial information to Board Members upon request.
- 207.4.3 The Treasurer will present the completed financial information to the full Board of Directors annually.
- 207.4.4 The Treasurer shall ensure the approved annual budget, and the fiscal year-end report are available to IAC members in a password-protected area of the IAC web site. Including these documents in a report at the Fall IAC Board Meeting such that they are available as part of the meeting minutes satisfies this requirement.
- 207.4.5 The Treasurer shall ensure budget and financial reports are available to the IAC Editor for publication.

**207.5 Financial Records**

All financial records will be maintained by the IAC Executive Director who shall make them available to the President and Treasurer upon request.



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**207.4 Inventory Control**

- 207.4.1 The Finance Committee annually allocates funds for the purchase of IAC merchandise for resale as part of the normal budgeting process.
- 207.4.2 The IAC Executive Director is responsible for the purchase, reorder, pricing and warehousing of IAC's inventory within the funding guidelines allocated by the Finance Committee.
- 207.4.3 Periodic inventory reports will be sent to the Finance Committee to monitor IAC's performance.

**207.5 Reimbursements**

- 207.5.1 Reimbursement requests will be submitted to the Executive Director with documentation within 45 days.
- 207.5.2 Reimbursements shall be made only upon receipt of vouchers and/or receipts.
- 207.5.3 Authorization for a reimbursement must come from a party other than the one seeking reimbursement.
- 207.5.4 Absent extenuating circumstances in the opinion of the Treasurer, no expenses will be reimbursed if submitted for reimbursement more than 45 days after incurring such expenses.

**207.6 Travel**

- 207.6.1 The Finance Committee allocates funds for travel during the annual budgeting process.
  - 207.6.2 Funds allocated are to be used to pay for IAC Headquarters staff travel and expenses when working on IAC's behalf.
  - 207.6.3 Reimbursements for travel will be limited to the amount budgeted
  - 207.6.4 Board of Directors Travel Funds
- These budgeted funds will be used to reimburse IAC Board of Directors for lodging expenses incurred at the Fall Board of Directors meetings.
- Other travel expenses will not be reimbursed.



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207.6.5      **President's Travel Funds**

These budgeted funds will be used to reimburse the President for any travel expense incurred in the performance of his duties, responsibilities, and commitments.

**207.7      Unbudgeted Expenses**

All unbudgeted expenses in excess of \$200 must be approved by no fewer than two members of the Finance Committee, one of them being the President or the Treasurer.

**207.8      Long Term Restricted Funds**

207.8.1      Long Term Restricted Funds (LTRF) are created by the board to provide funds for specific activities.

207.8.2      Donations made to long-term restricted funds may not be used for any other purpose than as directed by the Board of Directors when the fund is created.

207.8.2      The Treasurer will manage these long-term restricted funds.

207.8.3      Distributions

207.8.3.1      No more than 4% of the fund balance of an LTRF may be distributed in any fiscal year.

207.8.3.2      No distributions shall be made when the long-term restricted fund contains less than the annual operational budget of the IAC.

207.8.3.3      When a separate document does not govern the use of long-term restricted funds, the recommendation on the distribution of long-term restricted funds will be made at least annually by the Finance Committee with the Board of Directors' approval.

207.8.4      Transfer of Assets

The Finance Committee may recommend to the board the transfer of long-term restricted funds to a separate non-profit entity (foundation/endowment) if they determine the fund balance is sufficient to create the entity and be perpetually self-sustaining once the entity is created.