

**Friends of Rockbridge Swimming
Financial Governance Framework
2019-01-31**

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
- Board of Directors and the Finance Committee

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. All of these and other similar financial transactions are currently maintained in QuickBooks, a commercially-available and widely-used accounting/bookkeeping software application.

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

- Entering all financial transactions into QuickBooks in a timely manner – i.e., at least weekly
- Maintaining a repository of bank account statements for at least 5 years
- Maintaining supporting documentation of all financial transactions (i.e., credits and debits) for at least 5 years

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

Credits

Regarding credits, the Aquatics Director has the following financial governance responsibilities:

- Cash and checks received are to be summarized daily in QuickBooks, with each receipt categorized by purpose
- Cash and checks received are to be deposited (at least) weekly at Cornerstone Bank in the bank account appropriate for the receipt purpose
- Regular ACH transfers (for pool memberships) are to be reviewed monthly for accuracy

Debits

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, regarding debits, the Aquatics Director has the following financial governance responsibilities:

- For regular bills, automatic/electronic payments should be set up with vendors wherever possible (e.g., electricity, Columbia 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, must be accompanied by any receipt/invoice/other documentation; such documentation should be retained for at least 5 years

Treasurer

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

- Review all financial transactions for consistency with the mission and values of FOR Swimming
- Review all financial transactions as recorded in QuickBooks and bank statements; if deemed necessary, the Treasurer may also compare financial transactions to other relevant sources (e.g., pool sign-in device)
- Prepare materials for review by the Finance Committee, including bank statements, profit/loss statements, individual line item details

Board of Directors

Since the Treasurer has authority to make credit and debits on behalf of FOR Swimming, additional controls are deemed prudent for financial integrity. To this end, the Board of Directors shall:

- Review financial statements regularly and request any additional information deemed necessary to have confidence in financial integrity
- 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 above responsibilities to the Finance Committee.