

**International Order of the Rainbow for Girls
Nevada Grand Assembly**



**GRAND EXECUTIVE BOARD (GEB)
GUIDE FOR FINANCIAL TRANSACTIONS,
BUDGET AND AUDIT**

Fiscal responsibility and the necessary transparency of our finances are crucial to our success. As Executive Board Members, it is incumbent upon us to recognize the funds being managed by the Nevada Grand Assembly are those raised primarily by the members for their long-term benefit, and to cover the costs of doing business, i.e., insurance, storage rent, etc.

GRAND ASSEMBLY BOARD OF DIRECTORS

The Grand Assembly Board of Directors is charged with the task of managing the Grand Assembly's financial information. The Supreme Officer, or her designee, will collect all funds due to Grand Assembly, including but not limited to annual per capita fees, Grand Officer fees, sales of logo wear, Grand Officer projects that raise funds, donations, etc. These funds will be documented in a "transmittal" letter which documents both the individual amounts collected, and the line items amounts should be credited to. This transmittal should, under normal circumstances, be forwarded (hand delivered whenever possible) to the GEB Treasurer within two weeks of receipt of checks.

The GEB Treasurer will receive all funds (in check form), along with the transmittal form, and shall make said deposits to the appropriate Grand Assembly accounts within 4 working days. The Treasurer will also credit each line item in the appropriate amounts, and will maintain up to date Quicken records at all times. As at the Assembly level, it is essential that the GEB Treasurer be computer literate with access to a computer in their home that will enable him/her to oversee the financial status of the Grand Assembly accounts at all times.

Likewise, items that are to be paid, or have been paid by use of the Grand Assembly credit cards, will be itemized in the transmittal letter, with appropriate documentation provided by the Supreme Officer or her designee. Checks will be written by the GEB Treasurer and returned timely to the Supreme Officer or here designee for both the second required signature and for distribution to the vendor.

In an effort to remain organized and on task, it is strongly suggested that the GEB Treasurer retain all financial records in a binder including, but not limited to the following, to be hole punched and kept in date order:

- Receipts and records;
- Bank statements with reconciliation reports attached;
- All correspondence regarding income/expenses, etc.

A financial report should be given at each Grand Executive Board meeting and be part of meeting minutes. This report must include the total net worth of all Grand Assembly accounts

and a record of expenditures for the period since the previous meeting. In addition to the tasks cited above, the GEB Treasurer will be tasked with completion of the required annual Assembly audit, entering financial information into the Quicken program, oversight of any reimbursement and the procedures, drafting the proposed annual budget, Grand Assembly banking and any pre-paid debit card or Square use. Said records must then, according to the guidelines of the Supreme Assembly, be audited by an outside entity. The Report of Audit Findings must be completed in January of each year to facilitate a timely filing by the Supreme Officer with the jurisdiction's annual reports.

TRANSACTION RECORDING

As directed by the Grand Executive Board, Quicken will be used as the financial tracking tool for all Assembly and Grand Assembly financial records. Quicken software has been purchased by Nevada Grand Assembly for the GEB Treasurer's use. Use of this software is not only beneficial to comply with accountability for expenditures and income but will also allow the GEB to create a yearly budget, a financial statement and audit, each of which is required to be provided to the Supreme Officer as part of the Annual Report processes. The software accumulates the data needed for financial tracking and Annual Reports, if the data is inputted correctly.

As a general rule, GEB Treasurer should not download or manage the Grand Assembly's financial matters on a public or work computer. Doing so may compromise sensitive financial information.

FINANCIAL STATEMENTS AND DATA

A Financial Statement is an Excel document extracted from itemized income and expense categories maintained by the Quicken program. As a general rule, Financial Statements must have beginning and ending amounts and the ending balance as of December 31st, should be the beginning balance for January 1st.

The Grand Assembly income and expense statement should give adequate information. All income and expenses give a snapshot of what the Grand Assembly is doing, the funds that are raised for specific projects and what they, in general, then used those funds for.

Income and Expenses: In the Quicken program, income items should be followed with "IN" and expense items should follow with "EXP" so it is clear in a printout, such as a Financial Statement, which items are in which categories. There are a few key points to keep in mind when entering financial data, namely income and expenses, into the Quicken program. Some of them are as follows:

- Avoid using an individuals' name as "income."
- Avoid using "Miscellaneous."
Miscellaneous income and expenses should be minimal as most income and expenses are directly associated with some specific project.
- Do not use the terms "Uncategorized" or "Other."
Uncategorized and Other are not an acceptable codes to use in Quicken because income and expenses must be specific. In financial records, everything fits somewhere if the categories are set up to cover them.
For example: When an Assembly pays its per capita fees due to Nevada Grand Assembly, those transactions are to be noted as income.

REIMBURSEMENT PROCESS

Generally, Grand Assembly is required to follow the “No receipt – no reimbursement” process. Any individual who believes that he/she is entitled to reimbursement for expenses incurred on behalf of Grand Assembly must present a receipt for the items purchased to the Supreme Officer. Below are some points to be followed in the reimbursement process:

- Receipts for reimbursement should be presented to the Supreme Officer within 60 days for reimbursement.
- The Supreme Officer may create her own receipts as long as the correct information is gathered, or she can utilize carbonized receipt books.
- Under no circumstances should the Supreme Officer or the Grand Assembly directly spend cash collected as a cash expense. ALL funds must be deposited with checks drawn against that amount.
- The Supreme Officer, Grand Executive Board Treasurer, etc. are not to have a petty cash account, drawer or bag. Expenses are paid to those entitled only through the appropriate receipt and payment reimbursement process.

BANKING

The Grand Assembly of Nevada currently maintains the following banking relationships:

- Wells Fargo: Grand Assembly Account: General checking and savings account;
- Wells Fargo: Grand Assembly SESSION Account: General checking and savings account;
- Wells Fargo: Grand Assembly 2020 Account: General checking and savings account – for the exclusive use to offset the inherent expenses of hosting Supreme Assembly 2020.
- Ameriprise Financial: multiple accounts holding funds in several time limited/renewable CDs.
- The Supreme Officer, the GEB Treasurer and at least one other GEB Member must be authorized signers for all checking accounts.
- Grand Assembly checks must be duplicates (NCR). The duplicate copy should be attached to the receipts/bills for which the check was issued.
- The GEB Treasurer will maintain possession of the checkbook and the bank records which include the deposits and bank statements.
- Reasonable and ongoing expenditures are approved by the Supreme Officer as needed. However, major expenditures must be approved by the Grand Executive.
- No Grand Assembly check should be written without a written request from the Supreme Officer, usually in the form of the above noted “transmittal”
- Deposits must be made in a timely manner, as a courtesy to those that have provided funds/checks for the Assembly to deposit as well as for accuracy of financial recordkeeping regarding available Assembly funds. Time frames for transmittal from the Supreme Officer to the GEB Treasurer and then to the bank are noted above.
- The Grand Assembly bank statements for each account must be reconciled once a month, in the Quicken program. It is recommended that the Bank Statement period be established as monthly, rather than an arbitrary middle of the month date.
- With the following exceptions, funds collected for one account are not then transferred or otherwise expended by another account: At the close of one Grand Assembly

SESSION, the excess funds in that account over \$5,000.00 are routinely transferred to the Grand Assembly account. The amount of \$5,000 is retained in the SESSION account to provide start-up funds for the Grand Assembly Committee for the following year. Likewise, at the close of Supreme Assembly 2020, it will be the decision of the Grand Executive Board how best to expend any funds that may remain in this account.

THE SQUARE PAYMENT SERVICE

The Grand Executive Board has determined that the Grand Assembly may use an electronic credit card payment service, The Square, as stated below. The Square is the ONLY credit card payment service that is to be used by Nevada Grand Assembly. This policy is under review by the Grand Executive Board, indefinitely and until otherwise stated.

- The Square credit card payment processing device may be purchased in stores and online for a nominal fee.
- Use of the Square does not change or amend the need for the Supreme Officer or her designee to include the transaction in the “transmittal” to ensure the appropriate paper trail to be established for each transaction.
- Square transactions will each include 3 percent more than the cost being charged and is identified as “Courtesy Fee.” The 3 percent will cover the fee to the Grand Assembly for allowing this convenience. The Grand Assembly will consistently charge 3%. Use of the Square is not meant to be a liability to a fund raising project.
- The Square must be kept in the possession of the those adults designated by the Supreme Officer if she is not going to be present for an event where charges are likely.
- The Square may NOT be used for the following types of charges:
 - Someone needs a little spending money (The Grand Assembly is not an ATM);
 - Miscellaneous incidental expenses, (i.e., the members travel to an out-of-state event and decide to stop for lunch.

PRE-PAID DEBIT CARDS

It is the current policy of Nevada Grand Assembly that an Assembly may not have a debit card for any reason. Further an Assembly may not have a credit card. The Grand Executive Board is consistent that either of these processes gives the adult volunteers too much responsibility as well as too much liability and exposes the Assembly to possible financial missteps. However, the Grand Executive Board has determined that an Assembly may use a pre-paid debit card as stated below, on a trial basis. However, the Grand Assembly Account, the Grand Assembly Session Account and the Grand Assembly 2020 Account have all been issued debit and credit cards to specific individuals. This privilege has been afforded because of the magnitude of expenses sometimes incurred within these three groups, versus the much smaller transactions incurred at the assembly level. A complete listing of both debit and credit cards and those who hold them is maintained by the Supreme Officer. No cards are issued to any individual without her direct action with the card company.

- All receipts and deposit records for the debit and credit card funding account must be maintained and reconciled at the conclusion of the stated use and again at the end of the calendar year, through the audit process.

ANNUAL PROPOSED BUDGET

The Grand Executive Board will have a budget that is customized to meet the specific income and expenses of the jurisdiction. The budget will be drafted by the GEB Treasurer based on the previous annual budget, income and expenses. The GEB Treasurer should review the budget with the GEB members (including the Jr. Members), prior to the beginning of each calendar year.

GRAND ASSEMBLY AUDIT

The purpose of an audit is to compare the record of deposits and checks written to the information memorialized in the group's bank statements. This process is intended to verify that every check written was authorized through the transmittal document, that receipts match deposits and expenditures and that that income and expenses are being coded correctly in Quicken.

The task of conducting an audit is one of the most important tasks for each Grand Jurisdiction and is required by the Supreme Assembly. This task must be completed annually because it is important that an Assembly's financial records reflect an accurate and trustworthy accounting of the funds involved in the operation of the Grand Assembly.

Please note: If the Supreme Officer changes during the course of the calendar year, an audit must be performed at that point in time for the protection of both the retiring Supreme Officer and the newly installed Supreme Officer. This audit information must be transmitted to the Supreme Assembly upon its completion.

The Quicken program is an excellent program for record keeping. As funds are deposited, they can be assigned "Categories" for both income and expenses. The titles of the categories are only limited by the imagination of the user, but it is recommended that they be meaningful to anyone reviewing the records. For example:

The Quicken program allows the user to reconcile each bank statement as it is received and to print out a Reconciliation Report. Such report, with a copy of the bank statement, when presented to the Grand Executive Board on quarterly basis by the GEB Treasurer, will reveal the balance in the account in agreement with the bank statement, as well as a record of any outstanding checks that have been disbursed but not yet cleared through the checking account. In other words, you have the amount of the bank statement and the actual funds available when the outstanding checks are cashed. This process will also reveal any outstanding Grand Assembly checks.

The Grand Assembly SESSION account will be reconciled consistent with these provisions and will be audited by the GEB Treasurer at the close of the Session period, provided he/she has not served as Treasurer to the Grand Assembly Committee. The Audit Report for this account shall be transmitted to the Supreme Officer and the adult members of the GEB.

AUDITS

The audit of the Grand Assembly accounts (other than the Grand Assembly SESSION account noted above) must be conducted by an outside individual, preferably one with a Masonic relationship to Nevada Rainbow.

The GEB Treasurer must provide a financial summary of the year's activities along with the bank records with reconciliation reports attached. These documents should provide enough information for the individuals to determine the dependability and accuracy of the financial practices of the Assembly.

The Quicken program allows the GEB Treasurer to print out the Itemized Categories for the entire calendar year, beginning with income categories as defined by the user and followed by the expenses categories as defined by the user.

The key elements that should be reviewed during the annual audit process AND included in the required annual audit report include, but are not limited to:

- Ensuring that all accounts are reflected in the audit (ie. checking, savings, CDs, etc.);
- Ensuring that all transactions have descriptive income and expense information;
- A notation that proper accounting procedures were followed – or that specific areas need to be addressed better in the future;
- Ensuring that the check book balances with the bank statements;
- Ensuring that all checks were found to have two signatures;
- Ensuring that all checks had appropriate documentation (ie. receipts, Orders, transmittal request, etc.);
- Ensuring that all deposits were reconciled to the bank statement;
- Ensuring that all opening balances reconciled to the bank statement;
- Ensuring that all closing balances reconciled to the bank statement;
- Include any recommendations for next year's process;
- Include signatures of the audit committee members.

Those selected to perform the Assembly audit may ask for more records from the Grand Executive Board Treasurer. If those selected to complete the Assembly's annual audit have additional questions as to the process, accuracy or required information, they should first consult with the GEB Treasurer. If further questions remain, the Supreme Officer should be contacted.