



POLICIES

General Administration

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ARTICLE PI GENERAL ADMINISTRATION

Section 1. Entrepreneurial Activities

The Association shall engage in fund-raising activities in order to provide additional resources to the Association to provide the expanded services to the membership, while keeping dues as low as possible. Such fund-raising activities shall be congruent with the mission of the Association. Each new fund-raising activity must receive the prior approval of the officers of the Association, and such approval shall be subject to ratification by the Board of Directors as soon thereafter as is practicable. Fees and other charges for programs and other activities of the Association may be raised pursuant to this policy.

Section 2. Automobile

NMSBA shall provide an automobile for the official use of the Executive Director and other staff members as the Executive Director sees fit.

The Executive Director and Associate Executive Director are authorized to use the Association automobiles for personal business such as commuting, but must be computed using an acceptable IRS method. The aforementioned Directors may use the vehicles for other incidental purposes as approved by the Executive Board, provided that the Association is reimbursed at a rate equal to the current mileage reimbursement for NMSBA officers.

Section 3. Office Hours

The New Mexico School Boards Association shall be open from 8:30 a.m. to 12:00 noon and 1:00 p.m. to 4:30 p.m., Monday through Friday.

The Association shall utilize a telephone answering system during times when the office is closed.

Section 4. Telephone

The NMSBA shall maintain a telephone system adequate to meet the needs of the membership. There shall be maintained a daily log of all personal long distance calls made by any employee. Such log shall include, but is not limited to, dates, time, person called, and the reason for the call.

ARTICLE PII FISCAL MANAGEMENT

Section 1. Pay Procedure

Staff members shall be paid bi-weekly unless circumstances require a temporary pay schedule change for other items for payment. Such changes shall be approved by the Executive Director.

Section 2. Depository of Funds and Authorized Signatures

All revenue received by NMSBA shall be deposited in an official bank or banks as designated by the Board.

Additional or temporary bank accounts, approved by the Executive Board, may be utilized for the purpose of maintaining separate records for entrepreneurial activities.

All checks, drafts, and orders for payment of money shall be signed by the Executive Director or Finance Director. Checks of \$3000 or more will be co-signed by the Executive Director and one other staff member and a copy sent to the President. The Board may, from time to time, authorize other signatures.

The following procedure will be used for receiving and depositing money or checks:

- a. Incoming bank statements are initially opened and reviewed by the Executive Director before being given to the Finance Director for reconciliation.
- b. When cash is received for materials or payment of invoices a receipt will be written immediately. The receipt book will be signed by two people (one from NMSBA) and the other from the individual presenting the cash in order to establish control over the cash on hand. Cash or checks received at conferences are placed in a bank bag and stay with an NMSBA staff person at all times until deposited.
- c. All other mail is received and distributed by the Programs Director. The Programs Director immediately photo copies incoming checks and enters them on a dated check log kept in a notebook at the Programs Director's desk. The Programs Director date stamps the copies, then endorses all checks to NMSBA and returns them to their respective envelopes. The Programs Director then gives the envelopes and photo copies to the Finance Director for further processing.
- d. The Finance Director locates the appropriate invoices for each check and enters the payments into the accounting program. The Finance Director prepares and totals the deposits on a weekly basis. The Programs Director totals the deposits as to verify the same amount, and deposits the checks at the bank. The Programs Director gives the Finance Director the bank receipt upon deposit. (Updated in 2007)

Section 3. Use of Surplus Funds

Whenever there is a cash balance in any NMSBA account which is temporarily not needed, it is the policy of the Board that the balance be invested temporarily to the best advantage of the Association. Investments shall be limited to those securities in which state law permits investments by local school districts or other investments as authorized by the Board. The Board authorizes the Executive Director to make such investments as needed.

Section 4. Mileage and Per Diem (Updated 7.17.03)

a. Board Members

The New Mexico School Boards Association shall reimburse members the following amounts for conducting official business on behalf of the Association:

- i. Per diem @ \$65.00 for each 18-24 hour period in-state.
- ii. Per diem @ \$48.75 for each 12 -18 hours in-state.
- iii. Per diem @ \$32.50 for each 6 - 12 hours in-state.
- iv. Per diem @ \$16.25 for less than six hours in-state.
- v. Mileage at 32¢ for each mile traveled by private automobile on official business. (In such cases where members elect to fly, the Association shall reimburse the member on the actual cost of the fare or 32¢ per mile.)
- vi. Executive Board members of NMSBA, while on official business, shall be reimbursed for actual necessary expenses incurred, or by one through four above, whichever they choose.
- vii. Out-of-state travel, on official business, shall be reimbursed for actual expenses incurred. All receipts for meals, lodging, travel and gratuity claims must be submitted or will not be paid unless certified by the Board member and approved by the Executive Director.
- viii. Expenses for alcoholic beverages are not reimbursable by the Association.

When a spouse, or guest, accompanies a member who is being reimbursed for the expenses involved in attending a conference, workshop, or function, the member will pay for the additional room costs and other expenses incurred by the spouse or guest.

Board of Directors' members attending Board of Directors' meetings held prior to workshops, School Law Conference, Board Institute, or State Convention, will receive one-half day per diem and mileage one-way from home to site of meeting from NMSBA. Board of Directors members attending Leader's Retreat will receive one-day per diem. Balance of expenses to be borne by local school district.

Members attending Board of Directors' meeting only, will receive per diem and mileage as per policy PII 4.a..

Standing and Special Committee members will receive per diem and mileage as per policy.

Deadlines and Limitations for Reimbursement: All individual claims should be submitted within thirty (30) calendar days of the completion of travel. In the case of the Law Conference meetings, reimbursement requests should be received before June 30. In all cases, the individual must personally sign the claim form certifying its correctness. If forms are received unsigned they will be returned to the individual for completion, and cannot be processed until the signed copy is received.

b. Staff

Staff members shall be reimbursed for actual expenses incurred in the performance of their job function, upon presentation of sufficient documentation of expense. Expenses for alcoholic beverages are not reimbursable by the Association. All receipts for meals, lodging, travel, and gratuity claims must be submitted before payment can be made. Executive Director's expenses for out of state travel shall be approved by the President. Other staff member's expenses for travel shall be approved by the Executive Director.

Mileage shall be paid as per Policy, Article P II, and Section 4.a.v.

Section 5. Credit Cards

The NMSBA shall maintain such credit cards as are necessary to provide for payment for activities authorized by the Board. Such activities include, but are not limited to, convention expenses, meals and lodging, and automobile expenses. Credit cards which bear the Association name will not be used for personal purchases. All credit card transactions shall be reviewed by the President on a monthly basis. The Association shall be reimbursed for all non-approved expenditures.

Section 6. Borrowing Authority/Limitations

When it becomes evident that current cash balances will not meet anticipated obligations, the Board authorizes the Executive Director to negotiate short-term loans in such amounts as may be required to meet such obligations. The loan will require approval and signatures of at least three (3) of the State Officers.

ARTICLE PIII

CONFERENCES, WORKSHOPS, AND SEMINARS

Section 1. Conference Fees for Non-Members

The fee for attendance at NMSBA functions by non-members shall be the regular fee times four (4). Employees of the State Department of Education and University and College Departments of Education shall pay the member price.

Section 2. Prepayment at NMSBA functions

One hundred percent (100%) of the prepaid fees shall be refunded if canceled in writing prior to a preset date, fifty percent (50%) of the prepaid fees shall be refunded if canceled in writing prior to a later preset date and NO refund shall be granted after that date. The full registration fee shall be charged for those registering at any time after the discount deadline and for those who request delayed billing after the conference. Registered no-shows will be charged the full conference fee.

NMSBA staff shall determine the deadlines and refund dates during the planning period of each function.

The current registration fee for regular state functions shall be set by Executive Director.

Section 3. Region Meetings

Districts will be billed for all dinner reservations made and not canceled by the deadline set by the host district.

Section 4. Convention and Institute Programs

To the extent possible, presentations and training provided by NMSBA will include information, ideas, and interpretations from all major participants in the issue to be discussed to allow the membership access to all sides of the issue under discussion.

ARTICLE IRS COMPLIANCE POLICIES

PIV

Section 1. Conflict of Interest

Conflict of interest arises whenever the personal or professional interest of a Board Member is potentially at odds with the best interests of the Association. Although the legal standards for avoiding conflict of interest for nonprofit organizations are fairly limited, the Association will avoid where possible even the appearance of impropriety.

Individuals and businesses qualified to provide goods and services in the Association's service area are limited, and therefore situations may arise where Board Members are commercially engaged by the Association, or hired by Association. Because these situations all involve potential conflict of interest, the following procedures apply.

If an issue is to be decided by the Board that involves potential conflict of interest for a Board Member, it is the responsibility of the Board Member to:

1. Identify the potential conflict of interest.
2. Not participate in discussion of the program or motion being considered.
3. Not vote on the issue.

It is the responsibility of the Board to:

1. Only decide to hire or contract with the Board member if they are the best qualified individuals available, and willing to provide the goods or services needed at the best price.
2. Record in the minutes of the Board Meeting the potential conflict of interest, and the use of the procedures and criteria of this policy.

Although it is not a conflict of interest to reimburse Board Members for expenses incurred (such as the purchase of supplies), Board Members are prohibited by law from being paid for serving on the Board. Generally, Board Members will not receive pass through dollars for individual projects.

Section 2. Employee Protection (Whistleblower)

If any employee reasonably believes that some policy, practice, or activity of the Association is in violation of law, a written complaint must be filed by that employee with the Executive Director.

It is the intent of the Association to adhere to all laws and regulations that apply to the organization and the underlying purpose of this policy is to support the organization's goal of legal compliance. The support of all employees is necessary to achieving compliance with various laws and regulations. An employee is protected from retaliation only if the employee brings the alleged unlawful activity, policy, or practice to the attention of Executive Director and provides the Association with a reasonable opportunity to investigate and correct the alleged unlawful activity.

The protection described below is only available to employees that comply with this requirement.

The Executive Director will not retaliate against an employee who in good faith, has made a protest or raised a complaint against some practice of Association, or of another individual or entity with whom the Association has a business relationship, on the basis of a reasonable belief that the practice is in violation of law, or a clear mandate of public policy.

The Association will not retaliate against employees who disclose or threaten to disclose to a supervisor or a public body, any activity, policy, or practice of the Association that the employee reasonably believes is in violation of a law, or a rule, or regulation mandated pursuant to law or is in violation of a clear mandate or public policy concerning the health, safety, welfare, or protection of the environment.

Section 3. Document Retention Policy

The Association shall follow the document retention procedures outlined below. Documents that are not listed, but are substantially similar to those listed in the schedule, will be retained for the appropriate length of time. "Document" includes any record within the following categories in whatever form it is stored: hard copy or digitally. Records shall be placed in the custody of specific employees or board members according to their job descriptions and administrative needs of the organization. All storage methodologies shall be tamper-proof and searchable and shall be available in a

central location. The following table provides minimum requirements. To the extent applicable laws or regulations are changed to require a different retention period, such law or regulations shall take precedence.

Corporate Records

Articles of Incorporation and Bylaws Permanent
IRS Application for Tax-Exempt Status (Form 1023) Permanent
IRS Determination Letter Permanent
Board Meeting and Board Committee Minutes Permanent
Board Policies/Resolutions Permanent
Other Corporate & Operational Policies Permanent

Accounting and Corporate Tax Records

Annual Audits and Financial Statements Permanent
Fixed Assets and Asset Depreciation Schedules Permanent
IRS Form 990 Tax Returns Permanent
Business Expense Records and Expense Reports 7 years
Investment records 7 years
IRS Forms 1099 7 years
General Ledgers and Journal Entries 7 years
Invoices 7 years
Sales Records (service fees, receipts, gift shop) 5 years
Petty Cash Vouchers, Cash Receipts, Credit Card Receipts 3 years

Bank Records

Checks for important payments and purchases Permanent
Check Registers 7 years
Bank Deposit Slips 7 years
Bank Statements and Reconciliation 7 years
Electronic Fund Transfer Documents 7 years

Payroll and Employment Tax Records

Payroll Registers Permanent
State Unemployment Tax Records Permanent
Earnings Records 7 years
Garnishment Records 7 years
Payroll Tax Returns 7 years
W-2 Statements 7 years

Employee Records

Employment Offer and Termination Agreements Permanent
Retirement and Pension Plan Documents Permanent
Employee handbooks and training manuals Permanent
Records Relating to Promotion, Demotion, or Discharge 7 years after termination
Accident Reports and Worker's Compensation Records 5 years after settlement
Salary Schedules 5 years
Employment Applications, resumes 3 years
1-9 Forms 3 years after termination
Time Cards 2 years
Job postings 1 year

Legal, Insurance, and Safety Records

Legal Correspondence Permanent

Insurance Policies Permanent
Leases 7 years after expiration
General Contracts 7 years after expiration
OSHA Documents 5 years

Electronic Documents and Records - Electronic documents will be retained as if they were paper documents. Therefore, any electronic files, including records of donations made online, that fall into one of the document types on the above schedule will be maintained for the appropriate amount of time. If a user has sufficient reason to keep an e-mail message, the message should be printed in hard copy and kept in the appropriate file or moved to an "archive" computer file folder. Backup and recovery methods will be tested on a regular basis.

Documents Containing Protected Health Information - Protected Health Information ("PHI") is any information that is created or received by the Association, a health care provider, public health authority, insurer, or school that relates to any past, present or future physical or mental health or condition of an individual, the provision of health care to an individual, or the payment for the provision of health care to the individual. Any documents containing PHI that are scheduled to be destroyed must be shredded. If the document can still be read after shredding, it must be re-shredded crosswise. If a document with PHI cannot be immediately destroyed or made unreadable with permanent ink, it must be placed in a secure container that is not accessible to patients, visitors or other persons not on the treatment team and does not permission to see the document. Documents with PHI should never be torn by hand because this is not an effective destruction tool to make PHI unreadable.

Emergency Planning - Records must be stored in a safe, secure, and accessible manner. Documents and financial files essential to keeping this organization operating in an emergency must be duplicated or backed up at least every week and maintained off-site.

Document Destruction - Each person whose job description includes the custody and/or maintenance of the above documents is responsible for the ongoing process of identifying records which have met the required retention period and overseeing their destruction. Destruction of financial, personnel-related and information with patient or employee health information will be accomplished only by document shredding. Document destruction will be suspended immediately upon issuance of a notice, known as a "legal hold" by the Board President, upon any indication of an official investigation or when a lawsuit is filed or appears imminent. During a legal hold, no specified records may be destroyed until the legal hold is withdrawn by the Board President. Destruction will be reinstated upon conclusion of the investigation.

Compliance - Failure on the part of employees to follow this policy can result in possible civil and criminal sanctions against Association and its employees and possible disciplinary action against responsible individuals. The Executive Director and Association President will periodically review these procedures with the Association's auditor to ensure that they are in compliance with new or revised regulations.

Section 4. Employee and Contract Labor Compensation

The Association determines the appropriate compensation for employees and contract labor by assessing compensation for similar jobs or deliverables in the Santa Fe/Albuquerque area.

Section 5. Public Documents Review

The records of the Association are generally open to public inspection due to IRS rules, open records laws and the spirit of public service. However, certain information is not open to public examination and may only be released with the permission of the Executive Director. Questions in this area are to be resolved by the Executive Director. If the answer to a request is unclear the Executive Director may contact the Association's attorney for a consultation.

Payroll tax forms are not public information and will not be released.

The application for exempt status, Form 1023, the IRS determination letter and the three most recent annual returns, Form 990, are available to anyone upon request for a free review in the Association office. Names and addresses of contributors will not be released.

All requests for personnel records, job references and credit inquiries will be referred to the Executive Director.

Financial statements and other financial information is regularly distributed to Association employees and Board of Directors. This information is not to be made available to persons who are not regularly authorized to receive that particular report. Any such requests for information must be approved by the Executive Director.

Revised: June 4, 2009 by the NMSBA Board of Directors

Website updated 9.25.09

