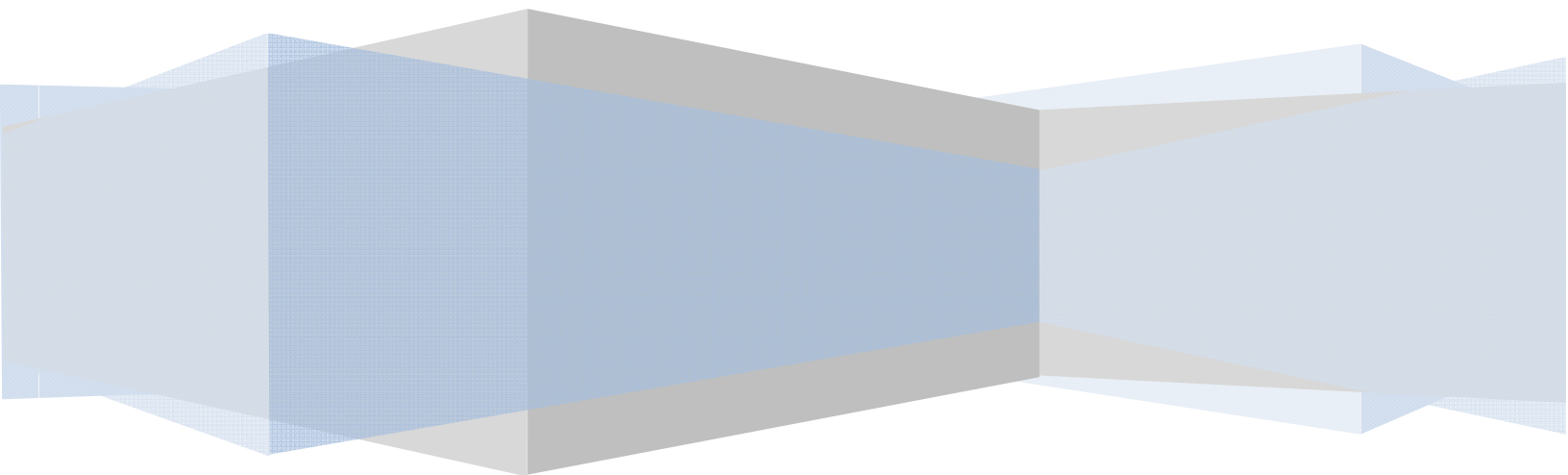




**San Juan County Board of REALTORS®
Finance Policy**



**San Juan County Board of REALTORS®
Finance Policy**

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San Juan County Board of REALTORS®
Finance Policy

1 Purpose

This document describes the San Juan County Board of REALTORS® Financial process and procedures.

The San Juan County Board of REALTORS® Board of Directors make the Financial decisions for this association.

Each May, the Budget Committee recommends the next fiscal year's Budget to the Board of Directors for approval. The approved Budget then begins with the new fiscal year, which begins June 1st.

The Budget Committee may make recommendations on investing the San Juan County Board of REALTORS® reserve funds. Certificates of Deposits may be purchased with a portion of the reserve funds.

The Executive Committee, plus the Executive Officer, are the signers on all bank accounts and CD accounts. Two signatures are required on all checks disbursed.

Bank Accounts are all located at Citizens Bank:

- The **Operating Account** is where all moneys are deposited for funds collected.
- The **Reserve Account** is where Annual Dues money is moved to from the Operating Account after the annual dues collection is completed. Some funds may be left in the Operating Account to make sure the balance of the Operating Account doesn't drop below a designated amount.
- The **Key Account** is where the Deposits made on the lockbox keys are held. When a lockbox key is returned to the association in working condition, the lockbox key deposit is refunded to the member. This account cannot be an interest bearing account, according to the National Association of REALTORS®.
- Certificates of Deposits Accounts.

Currently we have 1 CD Account at Citizens Bank and 8 at Washington Federal. With interest amounts severely low, no additional CD's have been purchased in recent years.

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2 General Guidelines

The following section describes the procedures for the Financial Policy:

Payment Policy

The San Juan County Board of REALTORS® accepts checks, cash, money orders, cashiers checks and credit card payments on NAR eCommerce for MLS Fees, Education Classes, Annual Dues, quarterly luncheons.

BANK RECORDS

The Executive Committee, which is the President, President-Elect, Immediate Past President, Secretary / Treasurer and the Executive Officer, are all signers on all bank check accounts and Certificate of Deposit accounts for the Board. At the beginning of the year, signatures, social security numbers, Dates of Birth and copies of drivers licenses are collected for the signature cards for all accounts. These are sent on to the banks and no copies are kept by the board.

- All blank checks and deposit slips for all checking accounts are kept in a locked file cabinet. The “For Deposit Only” stamp is also kept in a locked file cabinet. Board staff are the only ones allowed access to the locked file cabinets.
- All Bank Statements are kept in a locked file cabinet. These are kept for 7 years, then shredded.
- Any payments received by check or cash are placed in a locked file cabinet until the deposit is made at the bank. This is generally within a day or two of receipt.
- Any payments received by check or cash for Educational classes are kept in a locked file cabinet stapled to the class registration form. After it is determined the class has enough attendees to hold the class, the funds are then deposited into the operating account.
- During Annual Dues Collection, all cash and checks received are deposited as soon as practically possible. These payments will remain in a locked file cabinet until the Deposit can be made. After the deadline date of December 15th, only money orders, cashiers checks or with credit card will be accepted for payment of Annual Dues.

The National Association of REALTORS® e-Commerce is the avenue that the board can accept credit card payments on MLS Services, Luncheons, Annual Dues, Education classes, etc. (06/06/08 Board Minutes)

Quarterly Luncheon Policy

For the quarterly SJCBR Luncheons, the following lunches will be paid for the Board President and staff and speakers to speak at our SJCBR Luncheons.

- “Registrations received by the deadline date ensures that you will be served lunch. If you register and do not show up and have not found someone to take your place, you will be billed for the lunch. We are required to call in a count and we are required to guarantee that count will be paid for.”

The staff is to call in the count and add 5 to the number for late registrations.

At the SJCBR Quarterly Luncheons, we collect the REALTORS® business cards and use them for any drawings held at that Luncheon. They are then saved and entered into the Annual Dues Drawing that takes place in December. The winner of that drawing will have their Annual Dues paid for the next year by the Board. (06/24/04 Board Minutes)

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Education Policy

All class registrations are required to be pre-registered with payment by the deadline date. No refunds will be given after the deadline date. No walk-ins will be accepted due to availability of class materials. Payment must accompany the registration form by check, cash, money order or by paying online. A brokerage can only be charged if it is approved by the Qualifying Broker who must initial the registration form.

The Budget Committee recommended that the tuition of the Educational classes be increased to make \$20.00 profit per person per class. (03/22/12 Board Minutes) This was changed to make \$20.00 profit on 8 hour courses only. (03/28/13 Board Minutes)

Annual REALTOR® Dues Collection

Dues for all REALTOR® Members shall be payable annually in advance on the first day of October. Dues shall be computed from the date of application and granting of provisional membership.

When a broker pays their annual dues, an invoice is created in the Quickbooks software. Then the funds are deposited as soon as practically possible and credited to that invoice.

- The Dues collected during October will be forwarded onto the National and State Association on the last day of the month.
- Dues collected during November will be forwarded on the National and State Association on the last day of the month.
- For dues collected during December, checks will be accepted up to Dec 15th. After that date, dues are required to be paid by money order or cashiers check or with credit card using the e-Commerce system. Dues will be forwarded to the National and State Association on the last day of the month.
- Dues are considered late after December 31st. A Re-activation fee of \$300 is required for a Qualifying Broker and \$250, for an Associate Broker. Any late dues will be forwarded onto the National and State Association by January 10th.

New Member REALTOR® Dues

New Member REALTOR® Dues are prorated from the time the individual joins the Board to the end of December of that year. The National Dues are forwarded on to the National Association of REALTORS® and the State Dues are forwarded on to the REALTORS® Association of New Mexico on the last day of each month.

Financial Information Disclosure Policy

Access to the San Juan County Board of REALTORS® Financial reports, including balance sheets, income statements and budget reporting, as well as Bank Account Balances, is given to the Board of Director members for their review at each Board of Director meeting.

Compliance Reporting Policy

An independant Accountant that the board has hired to handle the financial reports also ensures that the Federal, State and other regulatory reports are prepared and filed on a timely basis.

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Expenditure Policy

The President is approved to make an expenditure of up to \$500.

The Executive Officer is approved to make an expenditure of up to \$300.

Expenditures up to \$4,999.00 must be approved by the Board of Directors.

Expenditures in excess of \$5,000.00 requires a membership vote from the members of the association.

Officer Travel Policy / Conference Registrations

- Any travel arrangements, such as conference registrations, airline tickets, or hotel reservations for conferences where the Board's credit card information is used is kept in the Executive Officer's desk drawer which is locked up each evening.
- The President and President-Elect are expected to attend the RANM Leadership conference held in Santa Fe and the RANM Annual Conference, and will have an allowance of \$700 for each of the conferences, which includes the Registration fee. If travel arrangements have been made by the Board staff for the Board President or President Elect to attend a state conference and they are unable to attend after arrangements have been made, the Board President or President Elect agrees to reimburse the board for any charges incurred.

Employee Travel Policy: MEETINGS, CONVENTIONS, SEMINARS

- The Executive Officer may be asked by the Board of Directors to attend local, state and national meetings, conventions and seminars as authorized by the Board of Directors within budget allocations.
- TRAVEL EXPENSES
Travel expenses will be budgeted and paid by the Board for employees who are pre-authorized to attend out of town meetings, conventions and seminars. The Board will pay:
 1. Mileage at IRS mileage rate per mile or coach class air travel for transportation to and from destination. (Revised 10/17/95 Board Minutes)
 2. Overnight accommodations.
 3. Meals
 4. Registration fees

Credit Cards

- The Board's Master Card credit card is based on the personal information of the Executive Officer. The Executive Officer keeps the credit card in a safe place and it is used for various purposes. Such as making travel arrangements for Leadership and Staff, making hotel reservations, paying for refreshments for the continuing education classes, for any purchases made for the board office and for auto payment for the Open House Website.
- The Discover credit card is based on the personal information of the Executive Officer . It is used primarily for purchases from Sam's Club of various supplies for the board office.
- The Board of Director's have approve the use of credit cards and have agreed to pay them off each month. (05/22/97 Board Minutes)

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NAR E-COMMERCE

The NAR e-Commerce on REALTOR.org is password protected and used for payment of MLS fees, Education expenses, Annual REALTOR® Dues, Alliance Membership Dues and any other items the Board staff feels is needed. Members may have staff help them make a payment. Credit Card information may be given verbally to staff while staff is completing the online information on the member's behalf. Credit card information is never written down or kept for any reason.

PAYROLL

All completed Time Cards and payroll check stubs are kept in a locked file cabinet with the Accounts Payable Files.

All employee personal employment information, such as W-2's, I-9 forms, etc, is kept in a locked file cabinet. Former employee records are kept for 7 years, then shredded.

PAY PERIODS

Pay periods will be every 2 weeks. Paychecks will be distributed every 2 weeks as per our accountants suggestion. Checks will be for the preceding pay period.

Paychecks will not be given to anyone other than the employee without the employee's written permission. Paychecks for employees who are absent, on leave of absence or on vacation may be held or mailed, if requested.

Paychecks are distributed on the last workday of each pay period. When a pay day falls on a weekend or holiday, pay checks will be distributed on the last working day prior to the weekend or holiday. Employees who have reason to think an error has been made in deduction computations should notify the Executive Officer as soon as possible.

Employee Christmas Bonus Amounts:

The Executive Officer will receive a \$500 bonus and the MLS Coordinator will receive a \$250 bonus, to be given on the date of the Christmas Luncheon / Election. (11/21/02 Board Minutes)

Approved funding for attendance to the Chamber of Commerce Luncheons for the Executive Officer and approval of absence from the office to attend the Chamber Luncheons at the Executive Officer's discretion. (04/15/04 Board Minutes)

PETTY CASH

Petty Cash fund is \$100 and is kept in a locked file cabinet. This money is used for making change for our luncheons , for giving change on an MLS Bill, or for small purchases when needed.

Monthly MLS Billing

The MLS Billing is done on the first business day of each month. The billing includes MLS Service Charges, Listing Fees, Picture Fines, Sold Status Fines, late fees, class fees, luncheon fees, etc. The MLS Billing is managed through Quickbooks.