

VIRGINIA LOCAL GOVERNMENT AUDITORS ASSOCIATION

OPERATIONS MANUAL

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MISSION

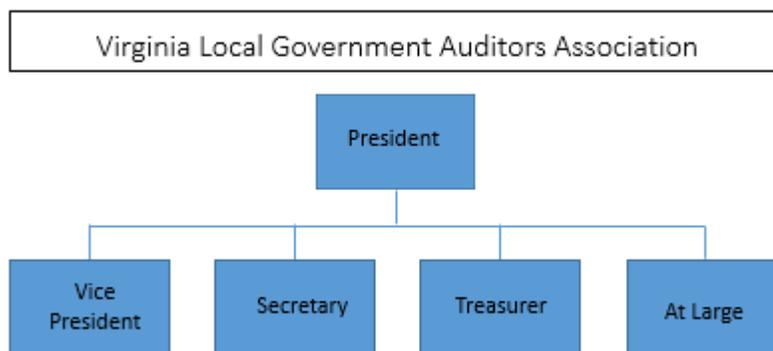
The Virginia Local Government Auditors Association is a statewide organization of individuals involved in the auditing of local government organizations, programs, activities and functions. The Association's mission is to assist its members in performing their professional responsibilities and to promote the profession of local government auditing.

OBJECTIVES

The primary objectives for which this association is formed shall be to:

- a. Promote compliance by local government auditors with the Government Auditing Standards established by the Comptroller General of the United States, the Standards for the Professional Practice of Internal Auditing of the Institute of Internal Auditors, and other generally accepted auditing standards.
- b. Provide a forum for the exchange of ideas and methodologies between local government auditors.
- c. Provide an association to work together for common interests of local government auditors.
- d. Contribute to the improvement of education and training available to local government auditors.
- e. Encourage and uphold the highest standards of professional ethics.

ORGANIZATIONAL CHART



Note: The Association is incorporated as a 501(C)(6) not for profit organization. Articles of Incorporation were filed March 1, 1989, with formal recognition from the State Corporation Commission (SCC) of Virginia dated May 16, 1989.

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SCHEDULE OF ACTIVITIES

Month	Activity
JAN	New officer terms begin January 1st
	Prepare new bank signature cards
A	Recruit candidates for committees
	President appoints new committees
	Executive Committee Meeting
	Consider upcoming renewals and provider satisfaction for website, D&O insurance, and Member/Event System
	Audit of Association finances
MAR	Audit report on prior year due to Executive Committee
APR	Corporation registration due to SCC
	Update membership directory
MAY	Spring Meeting
	Executive Committee and Committee Meetings
	Form 990 Tax Return Due to the Internal Revenue Service, if required
JUL	Executive Committee Meeting
	Annual review of bylaws and operations manual
OCT	Fall Meeting
	Election of new officers
	Executive Committee and Committee Chairs Meeting
	Distribute Bylaws and Operations Manual to new officers
DEC	Send Membership renewal notices
Monthly	Treasurer's Report
	President review of Treasurer's Report/bank reconciliation
	Certification of Member/Event System Activity to Treasurer
	Website content review

MANUAL AMENDMENTS

The Operating Manual may be amended with approval of the Executive Committee.

OFFICER RESPONSIBILITIES

PRESIDENT

The President is elected to a one-year term. The duties and responsibilities shall include, but not be limited to, the following:

- To preside at all Executive Committee and membership meetings of the Association.
- To develop a working knowledge and enforce the Association's Bylaws and Operations Manual.
- To appoint all committee chairpersons and committee members.
- To appoint an audit committee to perform an annual audit of the Association's financial accounts and records. The Annual Audit Report shall be communicated to the Association

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membership.

- To establish Association goals with input from other officers and committee chairpersons.
- To identify and provide services to meet the needs of the membership.
- Review monthly financial activity and bank reconciliations performed by the Treasurer.

VICE PRESIDENT

The Vice President is elected to a one-year term and reports to the President. The duties and responsibilities shall include, but not be limited to, the following:

- To perform the duties of the President in the absence of same.
- To coordinate the activities of those committees reporting to the Vice President.
- To advise and assist the President in staffing the committees.
- To attend Executive Committee meetings.
- To assist in identifying and providing services to meet the needs of the membership.
- To develop a working knowledge of the Bylaws and Operations Manual.
- To perform other duties as may be assigned by the President.

AT-LARGE BOARD MEMBER

The At-large Board Member is elected to a one-year term and reports to the President. The duties and responsibilities shall include, but not be limited to, the following:

- To perform the duties of the President in the absence of the President and Vice President.
- To coordinate the activities of the committees reporting to the At-large Board Member.
- To advise and assist the President in staffing the committees.
- To attend Executive Committee meetings.
- To assist in identifying and providing services to meet the needs of the membership.
- To develop a working knowledge of the Bylaws and Operations Manual.
- To perform the duties as may be assigned by the President.

SECRETARY

The Secretary is elected for a one-year term and reports to the President. The duties and responsibilities shall include, but not be limited to, the following:

- To conduct the correspondence of the Association including: mailing notices of all regular and special meetings, distributing meeting minutes, and other correspondence as necessary.
- To keep minutes and record the proceedings of all meetings of the Association and Executive Committee, and preserve all records and letters of continuing value to the Association in a permanent file.
- To develop a working knowledge of the Bylaws and Operations Manual.

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TREASURER

The Treasurer is elected to a one-year term and reports to the President. The duties and responsibilities shall include, but not be limited to, the following:

- To maintain records of the Association's funds and financial transactions.
- To establish and require compliance with procedures for the receipt, disbursement and proper accountability of Association funds.
- To report to the general membership each regularly scheduled meeting on the financial condition of the Association.
- To invest excess funds as directed by the Executive Committee.
- To file required financial documents or other legal documents with the Internal Revenue Service.
- To deposit collections monthly except when total collections on hand exceed \$500; in that case, the funds will be deposited within one week.
- To provide program chairperson with a membership list based upon current paid status.
- To reconcile the final list of meeting attendees with the financial records.
- To ensure that conference program attendees are paying the proper fee (member vs. non-member and no fee for speakers).
- To develop a working knowledge of the Bylaws and Operations Manual.

Expenditure Approval Procedures

The Treasurer can approve and pay reasonable Association expenditures under \$100. Expenditures in excess of \$100 require the approval of the Treasurer and one other Executive Committee member. The Treasurer will maintain documentation including who provided the approval, their title and date. The Treasurer must disclose the expenditures to the Executive Committee during their report.

The Treasurer may disburse funds in excess of \$100 for an event (i.e. seminar) expenditure if an approved budget exists. The Treasurer may pay a seminar coordinator's request for expenditure of funds and exceed a seminar budget line item as long as the total net expenditures approved have not been exceeded.

Seminar Procedures

Each seminar coordinator will submit an expenditure budget for approval to the Executive Committee prior to the seminar date. The Executive Committee will review and approve an expenditure worksheet for each seminar event.

Basis of Accounting

The Treasurer maintains the financial records on a modified accrual basis. All dues/seminar fees are posted in the year received (cash basis). Only significant known receivable and payable transactions (i.e. conference receivables/payables and membership dues) are noted.

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The standard reports shall consist of:

- a. a comparative balance sheet providing beginning of calendar year balances and reporting date balances.
- b. an income statement for the period being reported on.

The form of the income statement report is approved by the Executive Committee and can be revised if needed.

Note: There is a separate Treasurer's Procedures Guide document with additional organizational finance detail reference..

COMMITTEE RESPONSIBILITIES

AUDIT COMMITTEE

The Audit Committee shall be appointed by the President and no member of this committee shall /be a member of the Executive Committee. The objective of the committee is to arrange an audit of Association records as soon as possible after the close of the calendar year and submit the audit report to the Executive Committee no later than March 31 for the year just concluded.

Association Audit Procedures of Financial Activities

The Association's audit procedures of financial activities shall include:

1. To review the monthly bank reconciliations, and Treasurer's reports. Verify bank balances at year end and perform a 12 month cash proof to verify completeness of annual financial activity.
2. To determine reasonableness of recorded revenue from membership dues, meeting fees, and other revenue by:
 - obtaining a membership list from the Membership Committee Chair and extending number of members by annual dues amount;
 - securing a list of meeting attendees from the Treasurer and extending the number of attendees by the meeting fees; and
 - identify other sources of revenue from Executive Committee minutes and the financial records.
3. To determine each disbursement was approved in accordance with Association procedures and properly supported by appropriate documentation.
4. To account for numerical sequence of checks.
5. To verify that all required state and federal reports(i.e. Internal Revenue Service (IRS) and the State Corporation Commission (SCC) of Virginia.) have been filed.
6. To review for timely deposits.
7. To submit a report on the results of these procedures to the Executive Committee with a comparative financial report no later than March 31.
8. To maintain a file of records and correspondence to pass on to successors at the close of the Association year.
9. To make recommendations based on procedures performed and follow up on

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previous unresolved recommendations.

MEMBERSHIP COMMITTEE

The Membership Committee shall be appointed by the President of the Association. The objective of the committee is to promote the interest of prospective members in the Association and to maintain that of existing members. The duties and responsibilities shall include, but not be limited to, the following:

- To promote the Association to outside organizations.
- To identify local government audit organizations across the state to consider opportunities for prospective membership and invitation to association meetings.
- To evaluate resignations and non-renewals to consider opportunities for improvement.
- To maintain a membership records including updates for promotions, transfers and replacements.
- To maintain a file of pertinent records and correspondence, passing it on to successor at the conclusion of the calendar year. Maintain the organizational membership roster and help reconcile the roster to dues paid to the Treasurer as of December 31 each year.
- To send renewal applications out in the last quarter of the calendar year.

NOMINATING COMMITTEE

The Nominating Committee shall consist of the President, Vice President, and the previous President, who shall chair the committee. The objective of the committee is to submit to membership formal nominations, as provided for by the association bylaws, for all association officers. The duties and responsibilities shall include, but not be limited to, the following:

- To keep in contact with membership, especially with new and active members, in order to identify prospective talent for the various Association offices.
- To keep in touch with officers and committees in order to maintain a continuing evaluation of the capabilities, interests, and performance of officers and committees.
- To meet several times during the year before formal nominations are required to consider, in depth, the potential candidates for nomination.
- To confirm with the candidates their availability to accept any position for which nominees have been considered.
- To make recommendations (at least one (1) candidate per office) to the Executive Committee that will promote optimum Association benefit in terms of membership resources and utilization.
- To prepare and have available at the October meeting appropriate ballots for use if needed.
- To maintain a file of pertinent records and correspondence concerning nominees and transfer this file to the succeeding nominating committee at calendar year end.

BYLAWS AND OPERATIONS MANUAL COMMITTEE

The Bylaws and Operational Manual Committee shall be appointed by the President of the Association. The objective of the committee is to propose revisions to the Bylaws and Operations Manual to the membership or Executive Committee as necessary. The duties and responsibilities shall include, but

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not be limited to, the following:

- To review the Bylaws and Operations Manual and obtain input from the membership for proposed revisions.
- To present proposed revisions of the Bylaws to the Executive Committee for consideration for proposal to the membership.
- To present proposed revisions of the Operations Manual to the Executive Committee for consideration.
- To maintain the Bylaws and Operations Manual in an automated format.
- To maintain a file of correspondence to pass on to successor at the end of the calendar year.

COMMUNICATION COMMITTEE

The Communication Committee shall be appointed by the President of the Association. The objective of this committee is to engage and inform Association members and followers through communications.

The duties and responsibilities shall include, but not be limited to, the following

- Maintain an effective, informative website and related technologies with frequently updated content.
- Maintain general association information and periodically notify general membership regarding upcoming activities, membership information, and other information supplied by VLGAA Board that would be of interest to the general membership.
- Provide oversight for content delivered to the membership and followers, including website, email and/or other media.

EDUCATION PROGRAM COMMITTEE

The Education Program committee shall be coordinated by the President of the Association. The Chair of the Committee shall be a designated staff member of the Internal Audit office hosting the continuing professional education program. The objective of the committee is to coordinate and organize the semi-annual programs for the membership by providing the highest quality training in the most cost effective and efficient manner possible. The duties and responsibilities shall include, but not be limited to, the following:

- To coordinate and maintain a listing of hosting localities for conferences for up to two years.
- To prepare a program budget approved by the Executive Committee. Recommend program speakers, facilities, food, etc. for approval by VLGAA Board.
- To establish guidelines to ensure compliance with the Procedures for the Continuing Professional Education Programs contained in the Operations Manual. A draft of the program flyer needs to be provided to the Continuing Professional Education Committee Chair for review to ensure the accuracy of the CPE earned prior to distribution to the membership.
- To develop conference program and registration form. The registration form should state that no refunds will be given, but substitutes are allowed.
- To handle advertising and promotion of the conference.
- To prepare a list of attendees as received from the Treasurer. Notation should be made for no shows, substitutes, last minute additions, and late arrivals.

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CONTINUING PROFESSIONAL EDUCATION COMMITTEE

The Continuing Professional Education Committee shall be appointed by the President of the Association. The chairperson of the committee shall be assigned as the administrator of the Continuing Education Program. The objective of this committee is to maintain the required records of a Virginia approved sponsor for Continuing Professional Education conducted by the VLGAA. The duties and responsibilities shall include, but not be limited to, the following

- To comply with CPE Sponsor standards encouraged by the Virginia State Board of Accountancy (i.e. NASBA and AICPA Standards for CPE Programs).
- To obtain a list of conference program attendees from the Treasurer or Program Committee.
- To maintain the following records for each CPE program:
 - The date and location of the presentation.
 - The name of each instructor and qualifications.
 - Listing of participants and CPE hours earned by each.
 - Outline of the presentation.
 - Evaluation forms or summary of evaluations with sample of actual participant evaluation form.
- To provide participants with a certificate upon successful completion indicating the course, location, date, CPE credits, field of study and sponsor identification number. Outside sponsoring organizations may issue CPE instead of VLGAA. In such instances, recordkeeping requirements become the CPE issuer's responsibility.
- To make records available and respond to any State Board inquiry.
- Maintain a file of pertinent records and correspondence, passing it on to successor.

Note: There is a separate guide document for Continuing Professional Education (CPE) Programs.