



ASSOCIATION OF PROFESSIONAL ENGINEERS OF BELIZE (APEB)

**FINANCIAL POLICY
REVISED December 17, 2020**

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APEB Financial Policy

The creation of this financial policy is in response to Section 10 (1) and (2) of the Professional Engineering (Registration) Act, bye-law 72. Additionally, this policy is to provide guidance to ensure accounting and financial reporting best practices as a guideline in accounting and reporting of revenue and expenditure when carrying out business for the APEB. This policy is a preliminary draft pending approval as there exists a previously approved draft dated on the 26th March, 2009.

A. Introduction

1. The financial policy set out herein outlines the guiding principles for making financial decisions with respect to the activities of the Association of Professional Engineers of Belize (APEB), and for recording in a transparent manner the financial transactions entered into by the Council of APEB.
2. The financial policy is a dynamic one that will require review from time to time to ensure that current issues are being addressed.
3. The policies reflect generally accepted financial and accounting principles taking into account the specific characteristics and needs of APEB.
4. The policies given herein will be applicable after they have been endorsed by the Council of APEB at a council meeting set for that purpose.

B. Areas of Responsibility

5. The Council is responsible for prudent management of the association's funds so that mismanagement, non-management, or self-dealing does not occur. In order to fulfil this responsibility the Council shall:
 - Review, revise and approve written financial policies and procedures.
 - Establish, review and approve the annual budget so that the goals set can be achieved in accordance with the functions of the Association and an operating reserve maintained.
 - Monitor budget performance on a regular basis and analyze variances in expense and revenue from expected performance.
 - Revise the budget if the variances are extreme and/or threaten goal achievement.
 - Initiate an annual audit/review.
 - Distribute an annual financial report to all association members
 - The treasurer is responsible for maintaining the financial records and managing the financial affairs of the Association in accordance with the established financial policies.
 - In order to fulfil these responsibilities, the treasurer shall prepare the budget and submit to Council for review and approval.
 - Establish an accounting system to maintain the association's financial information for audit purposes

The association's electronic financial information system which includes:

- a. Keeping a record of the expenditures and income.
- b. Reconciling the bank statement monthly.
- c. Maintaining a balanced check book that is congruent with the records.
- d. Maintaining a filing system where the vouchers, receipts, bank statements and cancelled checks are kept as documentation of all transactions.
- e. Keeping a supply of banking items such as vouchers, check books, etc.
- f. Maintaining a file of financial reports, annual budgets and audit reports.
- g. Present a written financial report to the Council at each scheduled meeting. The financial report should include a statement of income and expenses by appropriate accounts. Annually the audit/review report is to be presented to the Council by 30th April of the following year (bye-law 72 (b)).
- h. Work closely with the external auditor/reviewer during the examination of the financial records.
- i. Prepare and submit any tax forms that may be required.

C. Income

7. Income for a financial period is defined on a cash basis as the money is received or paid into the bank account of the association. At such point, an invoice will be prepared. Electronic payments / online transfers made directly to the association's account will indicate the name of such member. However, payments made over the counter at the bank will not. Every deposit received will need to be identified individually and applied in favour of the member making such payment. Therefore, members will be asked to provide proof of deposit to the treasurer so their receipts can be issued and their memberships remain current; this will apply to payments made online or over the counter.

8. Income will generally be collected from membership dues, application fees, late fees, donations, fund raising, interest earned on cash available, and payments for services rendered and charged for by functional units of the Association.

9. Any monies collected in cash or checks, shall be deposited promptly into the checking account.

D. Expenditure

10. Expenditures in the first instances shall be made strictly according to the budget and the council is only being allowed to reallocate funds up to a maximum of twenty (20) percent of any category, provided that future payments are not jeopardize. The reallocation of fund will require the approval of the council at a meeting and a decision shall be in accordance with bye-law 59.

11. Expenses will be on an accrual basis in the financial period in which it is incurred; in line with the matching principle of accounting where income and expenses are reported for the period in which it is incurred.

12. A voucher shall be prepared for all expenses prior to any payments being made. The voucher shall contain but not limited to the following (see Appendix G-a):

Name and address of the organization

Voucher Number

Date

Payee

Payment description

Prepared by

Payment method (Cash, Check, Online)

Authorized by: signed by two signatories at all times after approval has been granted. In addition, one of the signatures must be that of the President or Vice-President. Three council members must review and approve all payments made.

13. The original invoice/receipt shall be attached to all payment vouchers.

14. Disbursements shall be made by cheques where practical or paid online. The treasurer will maintain a petty cash float of \$50.00 in the event of unforeseen expenses.

15. The treasurer and secretary will be responsible to sign on all cheques. In the absence of any one of the two then the President is authorized counter sign. Expenditure of monies from donations will be allocated according to the wishes of the donor; otherwise they will be allocated in accordance with the approved budget for the current year or subsequent years.

16. Before any expenditure is made it must be checked by the treasurer against the budgeted line item to ensure that the monies are available.

17. Approval for expenditures by the council beyond the limits stated in the budget shall be decided at a meeting and approved in accordance with bye-law 59.

18. No expenditure can be made for items that were not budgeted with the exception of emergency expenditures. Emergency expenditures are as follows: i. Legal fees and penalties ii. Natural or manmade disasters iii. Sudden or unforeseen rises in core operating costs such as utilities and office rent

19. Advances of funds to employees, officers, or directors shall be on a case by case basis. Direct and necessary expenses including travel for meetings and other activities related to carrying out the business of APEB shall be reimbursed in accordance with item Appendix G-b of this policy.

20. All moneys accrued from expenditures that were budgeted but not incurred are carried over to the following year's budget or invested according to the Investment Policy (detail policy to be developed).

E. Assets

21. The acquiring or purchasing of assets shall be approved by the Council unless it was specifically included in the annual budget
22. Suitable protection and maintenance of assets shall be carried out to ensure the continued expected functionality of the assets.
23. The disposal of assets will be done by locally acceptable practices. The assets will be valued based on the lower of current or market values and can be disposed either by a direct sale or by open or sealed bidding.

F. Investment Policy

24. The current CD shall remain and be re-invested into another CD upon maturity. The terms and conditions shall be renegotiated with the bank on an annual basis.
25. Interest earned from the CD shall be deposited into the current checking account.
26. The Council shall review and determine whether any accrued money will be invested. Any such investment must be low risk and have a record of safe and steady growth.

Appendix 1
a) Sample Voucher



Association of Professional Engineers Of Belize

57 Cor. Albert and Prince Streets

Date: 28-Sept-2020

Payee: APEB

Pay to: Paul Satchwell (Reimbursement)

Description of Payment	Amount
Expenses incurred for use of election Runner. (APEB council elections)	\$ 59.50
TOTAL	\$ 59.50

Amount paid in words: Fifty Nine Dollars and Fifty Cents

Method of Payment: Cash Check Online Transfer

Prepared by: Ramy Chia
Name Signature

Authorization

Lisha Sosa [Signature] 30-Sept-20
Name Signature Date

Ramy Chia [Signature] 28-Sept-2020
Name Signature Date

Recipient

Paul Satchwell [Signature] _____
Name Signature Date

Check No: 00531 Online Transfer No: _____

b) Travel Allowances

Note: If members are travelling with full expenses paid by those who extended the invitation then the following do not apply.

Local

Per diem – \$50.00 per day (except Placencia, San Pedro and Caye Caulker which is \$75.00 per day)

Accommodation - \$150.00 per night

Transportation: Land - \$1.50 per mile /Air – Lower rate of the local airlines/Sea – Current rate of water taxies.

International Per diem - \$150.00 per day

Accommodation - \$350.00 per night

Transportation – Land: \$100.00 per day or as necessary but expenditure must be approved by council before payment is made

Air: Economy Class using the cheapest available fare.

-END-
