

AOPT Finance Committee Standard Operating Procedures

1. Finance Asset Management

- a. The Executive Director provides the Treasurer monthly, quarterly, and annual information (e.g., financial statements, balance sheets, audit reports) related to the AOPT's assets.
- b. The Executive Director provides the Finance Committee summary financial statements related to the AOPT's assets, including investment fund account values and percent change for the current year to July 31, previous year, previous 3 years, previous 5 years, inception to date.
- c. The Finance Committee analyzes this information and develops financial plans related to the AOPT's assets.
- d. These financial plans are provided to the Board of Directors as recommendations. As a report 1 week after meeting? Board of Directors' approved financial plans are implemented as appropriate by the Executive Director and the outcome of the financial plans is monitored by the Finance Committee.
- e. AOPT Committee chairs will submit to the Board of Directors' their recommendations for financial obligations to achieve the AOPT's mission relating to their specific responsibilities. The Finance Committee shall utilize these recommendations for budget development.
- f. When the balance in the Reserve Fund exceeds 70% of one year operating expenses, the Board may decide to re-allocate these funds, depending on the needs of the AOPT.

2. External Audit

- a. The AOPT hires an accounting firm to conduct the audit.
- b. Deadline for completion of the audit is May 15th. An extension is filed each year since the audit is not started until after May 15th. The audit is complete by the time of the Annual Finance Committee meeting in August.
- c. A copy of the audited financial statements is provided to the Orthopaedic AOPT office, Finance Committee, Board of Directors, and APTA.
- d. Results of the audit shall be reported to the general membership in *Orthopaedic Physical Therapy Practice* (e.g., in the fall issue).
- e. The performance and cost effectiveness of the accounting firm that conducts the AOPT's audit is reviewed by the Finance Committee and the Board of Directors.
- f. The Finance Committee's recommendation for the accounting firm and the audit expenses appear in the annual budget provided to the Board of Directors.

3. Peer Review Audit

- a. Prior to the Annual Finance committee meeting, one committee member will be assigned to perform a peer review audit. The audit shall consist of:
 - i. Review of SIG finances
 - ii. Review of Board related expenses
 - iii. Review of draft external audit
 - iv. Review of Research, Practice, and Education expenses

- v. Review of Board decisions regarding finances an assuring funds were applied per Board approval
- b. The Treasurer, Executive Director, and President shall discuss and determine the specific audits to be conducted at the July Board meeting prior to the August Finance Committee meeting ([audit definitions](#)).

4. SIG or Committee Funding Requests

- a. All funding requests need to be received by the AOPT office on or before June 15 prior to the year for which the funds are requested.
- b. Each SIG is allocated an annual budget of \$3,750.00. If no budget is submitted, the SIG will still be allocated \$3,750.00. If these funds are not utilized by the end of the budget year they do not rollover and do not roll into the SIG's encumbered funds.
 - i. The executive office will notify any SIG or Committee that **has not submitted a budget request by June 12** reminding them of the June 15 deadline for request of encumbered funds in the next fiscal year. Any request for encumbered funds must be reviewed and approved per the SIG Policies.
 - ii. Committee Chairs, Clinical Practice Guideline Editor, Special Interest Group Presidents or designee (such as the SIG Treasurer), and AOPT staff are responsible for providing the funding requests to the AOPT office.
 - iii. All funding requests must utilize the template provided by the AOPT office.
- c. SIGs with encumbered funds must utilize their encumbered funds exceeding \$15,000 prior to receiving their annual, non-rolling, budgeted funds.
- d. Prior Annual Funding Requests for Committees and SIGs are available from the AOPT office upon request.

5. Analysis and Recommendation

- a. In July and early August, the Executive Director is responsible for creating a draft annual budget for the upcoming year.
- b. The Finance Committee analyzes this draft budget prior to and during its annual meeting, which takes place annually in late August.
- c. During the annual August Finance Committee meeting, a budget and associated recommendations will be generated and sent to the Board of Directors.

6. Benevolent Giving

- a. Benevolent Giving Procedures
 - i. All requests for donations will be reviewed by the Finance Committee during its annual August meeting.
 - ii. Recommendations for benevolent giving will be made in the annual budget provided to the Board of Directors.
 - iii. Any out of cycle requests (immediate needs) shall be discussed by the Finance Committee (via email or phone call) and recommendations sent to the BOD.

7. Contract Approval

- a. The Treasurer and Executive Director shall review all incoming agreements/contracts involving banking, investments, or contractual arrangements prior to approval.
- b. All finalized agreements/contracts must be in writing and originate from the AOPT office.

- c. After review by the AOPT's attorney, contracts relating to off-site meetings, i.e., hotel contracts, are signed by the Assistant Executive Director approval.
- d. After review by the AOPT's attorney, contracts relating to ISCs, i.e., author and SME contracts, are signed by the Executive Director and Managing Editor.
- e. The Executive Committee must approve all agreements/contracts greater than \$25,000.00.
- f. The President and Treasurer of the Board of Directors will sign all contracts that have fiscal implications greater than \$25,000.00.

8. Annual Finance Committee Meeting:

- a. Finance Committee meeting materials will be distributed via the shared Google drive no later than one week prior to the meeting.
- b. Minutes from all Finance Committee meetings will be reviewed and approved by the Finance Committee prior to sending to the Board of Directors.
- c. The Treasurer will present the recommendations of the Finance Committee to the Board of Directors at the next meeting
- d. In addition, staff will be notified by the Executive Director of any action items generated during the meeting that pertains to them.