

11/19/2020

FINANCE POLICY

OF

USA Diving, INC.

1. Purpose

This policy guides the financial management and reporting practices of USA Diving, Inc (USAD).

2. Applicability of Policy

This policy applies to any person charged with financial management or financial reporting. Most often, this will apply to the President, financial staff and the Finance and Audit Committee.

3. Definitions

Generally Accepted Accounting Principles (GAAP) - Accounting standards as adopted by the Financial Accounting Standards Board as may be updated from time to time.

4. Fiscal Year

The fiscal year for USAD shall be January 1st to December 31st.

5. Budgeting and Reporting

Management shall present the Board a budget and operating plan in advance of the start of every fiscal year. Ongoing reports to the Board shall ensure that the Board has sufficient information to assess the current financial state of the organization as well as the projected state of the organization through the end of the fiscal year. Such reports must include, but are not limited to:

- Budget to actual, as well as P & L and Balance sheet quarterly.
- USA Cash Detail and A.P. Summary at each board meeting.

Management shall present ongoing reports to the Finance and Audit Committee in advance of a presentation to the Board.

In reviewing draft budgets, the Board shall ensure that the budget:

- Is fiscally prudent, ensuring that the resources of the organization are responsibly used;
- Has prudent underlying assumptions;
- Furthers the strategy of the organization and furthers the mission, vision and values;
- Provides measurable outcomes for the organization in the coming year; and
- Allows for elements of risk in operational areas.

6. Signing Authorities

All checks from USAD must be signed by two persons. Contracts must be signed or approved by at least two people.

Check Signing Authority levels are:

Amount	Signors
Under \$10,000	Staff accountant & President
\$10,000 to \$30,000	CEO and Board Chair or Treasurer
Over \$30,000	CEO & Board Chair or Treasurer

Contract Signing Authority levels are:

Amount	Signors
Under \$20,000	President and one Staff Signors
\$20,000 to \$50,000, single year	President
\$20,000 and over, multi-year commitment	President
\$50,000 and over, single or multi year	President, with Board approval

Board signors shall be designated by the Board of Directors. Staff signors shall include the President and no more than [2] other staff members.

7. Financial Procedures

The President shall maintain and promulgate as appropriate a financial procedures manual. The manual shall outline day to day financial operations of the organization and provide guidance to staff and participants in their work.

The Financial and Audit Committee should be briefed in advance of material changes to the Financial Procedures. The Finance and Audit Committee shall brief the Board on corresponding changes to policy that may be required as a result of or in order to enable such changes.

All procedures and execution thereof shall be in keeping with Generally Accepted Accounting Principles (GAAP).

8. Payments Due to USAD by Members or Participants

Members with payments past due may have their membership rights curtailed or suspended until payment is made. Any such change in membership status will be reasonably applied based on the amount owing, the amount of delinquency and the impact of any sanction applied.

9. Audit and Auditor

The President shall name an Auditor for the organization on an annual basis.

In the course of conducting the audit, management shall make available all documents and records needed by the auditor. Staff shall be available to the auditor to answer questions as needed.

Upon completion of the draft audit, the auditor will meet with the President or the President's designated representative and the Finance and Audit Committee to explain the findings. The auditor will also meet separately without management present to provide a confidential briefing to the Finance and Audit Committee.