

Healthcare Billing and Management Association

Policy: HBMA Proposed Financial Controls

Policy No. FC-1

Approved:

Effective:

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POLICY

The primary responsibility for the association's finances rests with the Treasurer. In the event the Treasurer is unable to carry out this responsibility, the President shall assume such responsibility until such time as the Treasurer may become available or a new Treasurer may be appointed.

CONTROLS OVER ACCOUNTING AND CHECK SIGNING

1. All Checks for the association will be prepared by the management company or other organization appointed by the Board of Directors.
2. All checks prepared will be from original invoices and/or check requests approved by an authorized representative of the management company, President or Treasurer.
3. All checks will be forwarded to the President or Treasurer for signature and mailing.
4. Two signatures on all checks will be required: the preparer and either the President, VP, or Treasurer.
5. At the end of each month, the Treasurer will receive from the management company a copy of financial records to include a reconciled bank statement, a check register listing all disbursements, a Profit and Loss Statement, and a Balance Sheet. After review, the Financial Statement and Balance Sheet will be forwarded to all board members.

TRAVEL AND ENTERTAINMENT EXPENSES

The following procedures are adopted for reimbursing all travel and entertainment expenses of the Association. These procedures will apply to any member of HBMA traveling on behalf of the organization at the request of the Board, and shall also apply to all management company personnel and all conference speakers. Funds for reimbursing travel expenses are basically paid for from membership dues, and it is the responsibility of the Board to insure fiscal responsibility in looking after our funds. The executive committee can consider reasonable exceptions on a case-by-case basis.

1. MEALS

All meals will be reimbursed on a per diem basis. The basis for reimbursement for each meal will be \$8 for breakfast, \$12 for lunch and \$30 for dinner (\$50 per day). In the event that any meals are provided by the organization at its normal functions (such as continental breakfast and lunches at meetings), or meals are paid for by a vendor or other person doing business with HBMA, no claim should be made for these meals.

2. AIRFARE

HBMA will reimburse any person traveling on behalf of HBMA at the Board's request for the actual cost of airfare. Each person traveling should insure that the most favorable fares are obtained that is available. Whenever possible, advanced planning for trips should occur so that the most favorable fares can be obtained. All travel will be coach class unless specifically authorized by the president or treasurer.

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3. **HOTEL BILLS**

HBMA will reimburse any person requested to travel on its behalf for the cost of hotel rooms during the trip. Unless accommodations are handled by the HBMA management company, it is the responsibility of each traveling person to investigate the cost of reasonable hotel accommodations in the area and seek out the most favorable rate under the circumstances. HBMA will reimburse the standard cost of rooms at the hotel being used. Whenever possible, lodging should be at standard hotels catering to business travelers. Reservations at resorts or luxury hotels should only be made if no other suitable hotels are available, and a written explanation should accompany the expense reimbursement request if luxury or resort hotels are used. In order to be reimbursed, a copy of the hotel bill needs to be provided with the expense request. Under no circumstance will HBMA reimburse the cost of incidental such as movies, mini bar charges, health club charges or any other incidental costs incurred at the hotel. Laundry costs will be considered if the travel exceeds three days.

4. **TELEPHONE CALLS**

HBMA will reimburse up to two telephone calls per day. The allowance for telephone calls shall not exceed \$15 per day. Calls should not be made from hotel rooms whenever possible as the add-on hotel charges are excessive.

5. **RENTAL CARS**

Where circumstances dictate that the use of rental cars is the most effective method of ground transportation for a traveler, HBMA will reimburse the actual cost of the rental car. The maximum reimbursable size will be full sized cars and any charges for luxury cars will not be reimbursed.

Since virtually all credit cards pay the cost of insurance, no charges for insurance will be reimbursed by HBMA. In addition, each traveler should assume the responsibility of not selecting a fuel option and each traveler should return the car with a full tank of gas. All gas charges for fueling rental cars will be reimbursed upon presentation of receipt for the gas. In addition, all actual costs of tolls will be reimbursed. A receipt for tolls should be obtained whenever possible.

Comment [MSOffice1]: Perhaps we need to revisit this stipulation. Our company has a Corporate Account with Enterprise and we use to not carry the insurance; however, one time one of the employees had the hubcaps stolen and it was an extensive ordeal having American Express finally pay for this expense. It was a company credit card so the HR Manager handled this for the employee; however, I would think it would not be the Board's desire for a person to have to encounter this type of 'ordeal' and perhaps we should allow the person to take out the coverage of the Rental Car entity since these situations would rarely occur. Just a thought.

6. **TAXIS AND AIRPORT PARKING**

When a traveler incurs airport parking charges, HBMA will reimburse the traveler for actual costs of parking, tolls, and mileage at the prevailing IRS rate. When a traveler uses a taxi to go to the airport in their home city or uses a taxi to travel to and from the airport in the city visited, the actual cost will be paid by HBMA. However, all travelers are encouraged to use their own vehicles when available and when the cost of using the vehicle is less than the cost of using a taxi. Receipts should be submitted for all taxi usage.

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7. AIRPORT INCIDENTALS, LIQUID REFRESHMENTS AND OTHER RELATED COSTS

HBMA will not reimburse any expenses fitting into this category. The cost of newspapers, magazines, drinks in the bar, snacks, and other related costs, will be borne by the individual traveler and should not be charged to HBMA.

In any case above, where the traveler believes that extraordinary circumstances dictate that any expenses which are indicated above as being non-reimbursable in fact should be reimbursed, a note should be attached to the expense report requesting reimbursement and explaining the reason why. For example if a traveler's trip is extended by an extra day or two, and a laundry charge is required since adequate clotting had not been anticipated, such costs might be reimbursable.