

**REQUEST FOR INFORMAL ACTION
BY THE NAVA EXECUTIVE BOARD**

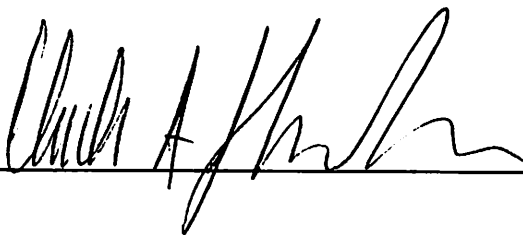
Pursuant to section 5.14 of the bylaws, I submit the following items to the executive board for informal action:

1. Approval of attached "NAVA Expense Reimbursement Guidelines," drafted by Lee Herold.
2. Confirmation of my nomination of Mr. Edward B. Kaye as a member of the publications committee and interim editor of volumes 3-4 of *Raven: A Journal of Vexillology*.
3. Confirmation of my nomination of Ms. Anne M. Platoff as a member of the publicity committee and webmaster of the web site.

Respectfully submitted,

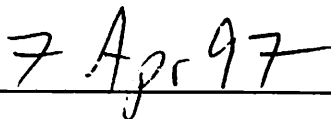
Charles A. Spain, Jr.
President
April 7, 1997

Approved: _____



Printed name: Charles A. Spain, Jr., president

Date: _____



Please complete and return to: Mr. Michael F. H. Halleran
1228 McKenzie St.
Victoria, British Columbia V8V 2W5 Canada

NAVA EXPENSE REIMBURSEMENT GUIDELINES

1. *General.* The North American Vexillological Association ("NAVA") appreciates the hard work of its many volunteers and is eager to reimburse all expenditures incurred on behalf of NAVA. Even so, the executive board has a responsibility to the members to ensure that every dollar is properly spent. The executive board, therefore, has adopted these guidelines to explain what is required for reimbursement and why we need this information.

In essence, an expenditure needs to be authorized and verified. By following these guidelines, the treasurer and executive board will not have to delay and consider your reimbursement request on an individual basis, which saves time for both you and the executive board. Please remember that we are all volunteers!

2. *Authorization required.* No reimbursement is allowed unless the expenditure is authorized by the executive board.

a. *Ask before you spend.* Request authorization for a specific expenditure before you incur the expense.

b. *Budgeted expenditures by officers and committees.* A reasonable expenditure within budget and guidelines will be reimbursed if it (1) directly relates to an executive-board authorized activity and (2) is expended as part of your appointment in an official position to carry out this activity. Since general approval has already been given, specific prior authorization is usually not required for this type of normal expenditure.

c. *Extraordinary circumstances.* An expenditure on behalf of NAVA that is not authorized will not be reimbursed. However, you may petition the executive board for reimbursement. If the executive board finds that (1) the expenditure is reasonable, (2) the activity for which the money was spent is beneficial to NAVA, and (3) the expenditure is within budgetary limits, then the executive board may, in its discretion, authorize the treasurer to issue the reimbursement.

3. *Verification required.* Verification of an expenditure is required for reimbursement. The verification is needed to provide the membership with assurance that all funds are being properly handled and to satisfy the requirements of the United States Internal Revenue Service ("IRS"), which among other things regulates certain United States nonprofit, tax-exempt corporations such as NAVA.

a. *Receipts.* Receipts help eliminate questions and doubt and make the job of the treasurer, audit committee, and executive board much easier. Please be conscientious and supply a receipt and explanation when needed. A receipt is required for an authorized expenditure of US\$25.00 or more. An authorized expenditure accompanied by a receipt and clarification, when needed, will be reimbursed by the treasurer.

i. *If receipt lost.* If the receipt is lost or is not available, please supply a written explanation with the details that would have appeared on the receipt. The treasurer will determine if the documentation is acceptable and may reject a reimbursement request if the explanation is inadequate.

ii. *Small amounts.* A receipt is requested for *every* expenditure, even those under US\$25.00. The treasurer, however, can still reimburse an authorized expenditure submitted without a receipt if the request is accompanied by an adequate explanation.

b. *Explanation.* Please explain who, when, and what:

i. *Who.* Payee—to whom was the money paid.

ii. *When.* Date expenditure incurred.

iii. *What. Purpose of expenditure.*

Please provide enough information so that if a NAVA member or the IRS reviews the receipt, it will be clear that you are seeking reimbursement for a NAVA activity and not a personal expenditure for your own benefit. Examples: "stamps" is not clear, but "stamps for 1 Mar 97 NAVA News mailing" is clear; "long distance" is not clear, but "long distance to Whitney Smith re budget" is clear. Persons like the president or treasurer, whose duties require large amounts of correspondence and long distance telephone calls, are not required to itemized each receipt.

4. *Nonreimbursable expenditures.* NAVA's bylaws specifically prohibit compensation of executive-board members for anything other than out-of-pocket expenditures. In addition, NAVA generally does not reimburse for travel, meals, lodging, and convention registration fees. If you must incur a significant travel expense on behalf of NAVA, *e.g.*, the host travelling to the site in preparation for the convention, then NAVA may reimburse you for gasoline purchases.

5. *Expenditure made in non-US dollars.* If you incur an expense in a currency other than United States dollars, then please submit your reimbursement request and indicate what currency was used. If your reimbursement request is approved, then the treasurer will issue you a check in United States dollars using the exchange rate on the date the check is written. Please inform the treasurer in advance of incurring such an expense if it will work a hardship on you to be reimbursed in United States dollars.

6. *Bundle small amounts.* If you regularly incur small expenses, please try to bundle them for reimbursement. Several requests for small amounts, *e.g.*, under \$10.00, makes the treasurer's job harder as it takes four times the effort to process four \$5.00 reimbursement requests as it does for one \$20.00 request.

7. *Expense report form.* Please use the expense report form provided by the treasurer to request a reimbursement. This form guides you through the who, when, and what categories described above and helps both the treasurer and audit committee in their work.

8. *Submitting a reimbursement request.* NAVA's bylaws require committee members to submit a reimbursement request to the president for approval and transmission to the treasurer for payment. All other persons should submit a reimbursement request directly to the treasurer.

9. *Payment.* The treasurer will make all reimbursements by check. NAVA's bylaws require all checks in excess of US\$100.00 to be countersigned, so the check may have to be mailed across the continent before it is forwarded to you.

10. *Income.* All NAVA income should be sent directly to the treasurer with an appropriate explanation. General accounting procedures prohibit deducting expenses from income, *i.e.*, never pay yourself back with NAVA income for a NAVA expenditure.

Once again, we appreciate your patience and understanding as we conduct our financial affairs in a way that will satisfy the legitimate concerns of our members and the IRS.

Approved by the executive board: **