

Policies and Procedures Manual

Updated January 2023

hfma[™]

arkansas chapter

Table of Contents

Audit	1
Awards	1
Chapter Reserve Funds	1
Complaint Resolution	1
Conflict of Interest	2
Course Update	3
Depository Institutions	3
Director Eligibility	3
Expenditure Approval	3
Expense Reimbursement – Chapter Meetings	4
Expense Reimbursement – Arkansas Member Speakers	4
Expense Reimbursement – Non-Arkansas Member Speakers	4
Financial Records	5
Investment Guidelines	6
Lifetime Membership	7
Operating Budget	8
Program Budget	8
Program Cancellation	8
Publication Costs	9
Record Retention	9
Regional and National Meeting Attendance	12
Registration Fees	12
Registration Refunds	12
Reporting	12
Supplies and Postage	13
Travel Expenses for Chapter Officers	13
Whistleblower Protection	14

Subject: Audit

Policy: The Chapter's receipts, disbursements and cash balance will be audited within 60 days of each fiscal year-end. The Audit Committee will review the procedures annually and recommend changes to the Board as appropriate.

Procedures: The Audit Committee will prepare a written report to be presented to the Chapter's Board no later than the Fall meeting. The audit committee's report, including reviewed financial statements, will be made available to Chapter members upon request.

Subject: Awards

Policy: The Chapter will pay for any awards given to members, including but not limited to Chair awards, President's Plaque, tournament prizes, and President Pins. Other awards, such as most outstanding member and most active member, may be approved by the Board.

Procedures: Costs associated with any member awards should be included in the annual Chapter budget. Expenditures for awards not included in the Chapter budget must be approved by the Board.

Subject: Chapter Reserve Funds

Policy: Adequate reserves shall be maintained in accordance with standards set by HFMA National. These cash reserves shall be maintained in a liquid enough position to meet cash outlays without sustaining penalties for early withdrawal of funds. A maximum of seventy-five percent of the current operating budget will be held in these contingent reserves.

Procedures: The Chapter or the broker will hold title to all investment instruments. The Treasurer or broker shall invest the reserve funds as follows:

- A minimum of twenty-five percent of the current year's budget will be put into interest-bearing money-market accounts.
- Reserve funds shall be invested using the approved investment policy guidelines of the Arkansas Chapter HFMA.

Subject: Complaint Resolution

Policy: Complaints should be registered with the Chapter Manager and will be evaluated and resolved by the Board.

Procedures: Any complaint should be registered with the Chapter Manager at arhfma@arkansashfma.org.

Subject: Conflict of Interest

Article I: The purpose of the conflict of interest policy is to protect the interests of this tax-exempt organization, (the “Chapter”), when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Chapter or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Article II: Definitions

1. Interested Person – Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.
2. Financial Interest – A person has a financial interest if the person has, directly or indirectly, through business, investment or family:
 - a. An ownership or investment interest in any equity with which the Chapter has a transaction or arrangement,
 - b. A compensation arrangement with any entity or individual with which the Chapter has a transaction or arrangement, or
 - c. A proposal ownership or investment interest in or compensation arrangement with any entity or individual with which the Chapter is negotiating a transaction or arrangement. Compensation includes direct or indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Article III: Procedures

1. In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.
2. The remaining board or committee members shall decide if a conflict of interest exists.
3. After disclosure of the financial interest and all materials facts, and after any discussion with the interested person, he or she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon.
4. An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he or she shall leave the meeting during the discussion of and the vote on the transaction or arrangement involving the possible conflict of interest.

Subject: Course Update

Policy: The Chapter will comply with course update requirements for the types of programs it offers.

Procedures: For group live and group internet-based programs, course documentation will contain the most recent effective information as of the date of the event.

Subject: Depository Institutions

Policy: The Chapter Treasurer shall maintain all checking and investment accounts, with authorized signatures for withdrawal of funds, in a FDIC insured financial institution.

Procedures: Said funds are to be invested in any institution covered by FDIC. Investment transactions are to be reported by the treasurer to the Board at each meeting. Investments maturing in excess of six months require prior approval by a majority of the members of the Board. The secretary is responsible for maintaining custody of insurance bonding, in the appropriate amount, to cover funds handled. Bonding coverage must be obtained within 30 days of taking office. The secretary will advise the Board of Directors of bonding coverage by memo prior to the Board's August meeting.

Subject: Director Eligibility

Policy: Directors must have served at least one year as a committee chair or co-chair and attended a minimum of fifty percent of the state associations meetings during the two years immediately preceding nomination.

Procedures: Before a Director can be nominated for the Board, the Chapter Manager will compile a list of eligible members in good standing and present to the Nominating Chair for the nominating committee to vote on.

Subject: Expenditure Approval

Policy: All expenses must have dual approval by two officers/board members before being paid or reimbursed.

Procedures: Before an expense can be paid or reimbursed, documented approval must be obtained from two officers or board members. Since all checks are issued by the Treasurer, the issuance of the check is considered to be implicit approval of the expense. Therefore, for expenses that are paid by check, only one documented approval must be obtained. Most expenses will be approved through an email from the President (or other officer) to the Treasurers. These emails should be retained in accordance with the Chapter's record retention policy.

For expenses that are not paid by check, such as refunds of meeting registration fees, there is no implicit approval by the Treasurer. Therefore, documented approvals from two officers/board members must be obtained.

Subject: Expense Reimbursement – Chapter Meetings

Policy: The Chapter will pay all expenses necessary for the presentation of an approved meeting or workshop. Allowable meeting and workshop expenses shall include, but not be limited to:

- Meeting facilities
- Networking events
- Speaker honorariums and expenses
- Administrative expenses

Procedures: The Chapter member or speaker incurring the expense shall submit a written request to the Program Chairman for approval. The request must identify meeting and date and must be accompanied by paid receipts. All approved requests shall be submitted to the Treasurer for payment.

Subject: Expense Reimbursement – Arkansas Member Speakers

Policy: The Chapter will waive the meeting registration fee for any Arkansas HFMA member who is speaking at that meeting. No other payment will be made to the speaker and no expenses will be reimbursed by the Chapter.

Subject: Expense Reimbursement – Non-Arkansas Member Speakers

Policy: The Chapter will reimburse any speakers who are not members of the Arkansas Chapter of HFMA for their out-of-pocket expenses relating to a speaking engagement. An honorarium may be paid to an engaged speaker for his or her presentation if authorized according to procedures.

Procedures: Each speaker should be asked to make arrangements for all personal travel except hotel accommodations. Hotel accommodations, meeting rooms and audio visual aids will be coordinated and arranged for by the Chapter. Prior to engagement, a speaker should be asked to give an estimate of his or her expenses. Expenses will be reimbursed to an engaged speaker (up to two speakers per joint or concurrent presentation) by the Chapter as follows:

- The Chapter will provide complimentary meeting registrations for up to two Presenters per Joint or Concurrent presentation. A complimentary meeting registration will also be provided for panel members.
- Transportation will be fully covered from speaker's point of origin to the meeting destination. Only reasonable coach airfare expense will be reimbursed.
- If a speaker prefers to book his/her own hotel reservation, the Chapter will reimburse room and tax expense for up to one night's stay at our group rate at the conference hotel. If the speaker stays in a different hotel, the Chapter will reimburse the lesser of one night at the actual rate paid or the conference hotel group rate. Any incidental hotel expenses will be the responsibility of the speaker. Hotel accommodations will be reimbursed for one night only unless the speaker is speaking for two days or there is prior approval from the President.

Subject: Expense Reimbursement – Non-Arkansas Member Speakers, continued

- Automobile expenses will be reimbursed at the current IRS allowed mileage rate per mile for personal car or actual fees for car rentals.
- Meals will be reimbursed at up to \$75 per day, with receipts.
- Meal gratuities shall not exceed twenty-five percent (25%) of meal costs. Reasonable tips will be reimbursed for bellmen, etc.
- Parking expenses will be reimbursed for reasonable and customary fees.
- The Chapter does not reimburse entertainment expenses, personal guest expense, long-distance telephone expense, travel life insurance, or administrative expenses (e.g. production of handouts not associated with the presentation, rental of presentation equipment, etc.).
- Other miscellaneous expenses must be itemized and may be reimbursed at a reasonable rate.
- Other expenses should not exceed budget. Any exception to expense reimbursement must be approved by the Board.

Honorariums will be paid only when absolutely necessary. The honorarium cannot exceed \$500 unless authorization is obtained from the Chapter President. The Chapter President may authorize an honorarium of up to \$1,000. The Chapter President may also authorize an honorarium of up to \$5,000, as long as the total speaker expenditures for the Chapter meeting in question do not exceed budgeted expenditures as approved by the Board. If the honorarium is between \$1,000 and \$5,000 and total speaker expenditures for the Chapter meeting in question are in excess of budgeted expenditures, the honorarium must be approved by the Board prior to the engagement of the speaker. In all cases, honorariums in excess of \$5,000 must be approved by the Board prior to engagement of the speaker.

Within one month after his or her engagement, the speaker must submit an expense statement, including all receipts for hotels, meals and transportation, to the Treasurer of the Chapter for approval by the Treasurer and one other Chapter officer. Upon approval, a check will be mailed to the speaker for all approved expenses relating to his or her speaking engagement. If an expense statement has not been received within one month of the event, all speaker expenses will be considered a donation to the Chapter.

Subject: Financial Records

Policy: The Chapter Treasurer shall maintain the following records:

- Checkbook
- Cash disbursements book and receipts
- Monthly bank statements and related reconciliations
- Invoices, check requests and documentation supporting all expenditures
- Supporting documents for each completed program activity of the Chapter. The program chair shall submit such documents within 30 days of completion of a program or meeting.

Subject: Financial Records, continued

The Chapter Treasurer is responsible for submitting all forms required by HFMA National related to the fiscal year for which the position was held by the required deadline, and for preparing a list of unpaid bills and uncollected debts owed to the Chapter at the end of the fiscal year (May 31). This list must be provided to the incoming Treasurer and included in the Annual Financial Report.

Procedure: In addition to recording daily activity, such as registration fees received and invoices paid, the Treasurer shall, on a monthly basis, reconcile the Chapter's bank account statement(s) to cash as shown in the Chapter's accounting records. The Treasurer shall also prepare a monthly reconciliation of volume (i.e., meeting registration) to revenue recorded and cash deposited in the bank account. The Chapter President shall review and sign off on these reconciliations.

On a quarterly basis, the Treasurer shall prepare financial statements for presentation to the board as described in the Reporting policy below. On an annual basis, the Treasurer shall prepare all necessary information for filing the Chapter's tax return, as well as all necessary information for the Audit Committee to perform its audit of the Chapter's financial records, as described in the Audit policy above.

Subject: Investment Guidelines

Policy: The objective of the Arkansas Chapter regarding the HFMA's investment program is as follows: Assuring maximum safety of principal while attaining an optimal return on invested funds, and maintaining a liquid position.

The Chapter or the broker will hold title to all investment instruments. Approved investment instruments are as follows:

- Certificates of Deposit
- U. S. Government Securities
- Repurchase Agreements
- Corporate Bonds or Notes (Commercial Paper)
- Cash Management Accounts

Other Policy Provisions:

Maturities

An amount equal to six months operating expenses shall be invested in short-term investments with maturities of one year or less. The remaining funds may be invested in longer term instruments, with an average maturity of no longer than five years.

Responsibilities

Management responsibility for investment of Chapter funds rests with the Treasurer. Any changes in the investment strategy must first be approved by the Board of Directors.

Review of Policy

The investment policy shall be reviewed by the Audit and Finance Committee at the Annual Meeting. Changes to the policy must be approved by the Board of Directors.

Subject: Lifetime Membership

Policy: To be eligible for nomination for the Arkansas Chapter's approval to submit to National HFMA for consideration, a member must:

- 1) Be in good standing with the Arkansas Chapter for at least ten years.
- 2) A past President and recipient of Medal of Honor of the Arkansas Chapter
- 3) Officially retired from employment
- 4) Have contributed significant efforts toward the Chapter's viability and educational mission.
- 5) Have a majority vote in favor by the current chapter Board members

Nominations must be submitted in writing that addresses first four requirements stated above to the current Chapter President who will submit the request to the Chapter Board for approval.

Procedures: To initiate the process, a member must be a Retired Member in good standing. The Chapter's Board of Directors must act to recommend conferral of Chapter Life Membership on the Retired Member. The Chapter President should write a letter to the Director, Member Service Center:

- Confirming chapter board action;
- Explaining, based on the individual's biographical information, why the chapter is recommending Chapter Life Membership;
- Enclosing a chapter check for \$275 covering five years of retired dues (\$55 per year); and
- Recommending that HFMA's Board of Directors approve the conferral of Chapter Life Membership.

Mail the Chapter Life Membership request letter to:

HFMA

Attn: Director, Member Service Center

2001 Butterfield Road, Suite 1500

Downers Grove, IL 60515

Since the recommendation must be approved by the Regional Executive Council and the HFMA National Board, the completed request must be received at least six weeks prior to a meeting of the HFMA National Board to be placed on the Board agenda. If the National Board approves the recommendation, the chapter president will be notified and a Chapter Life Member certificate will be processed and sent to the Chapter President. A Chapter Life Member is exempt from all further dues.

Subject: Operating Budget

Policy: The Treasurer shall prepare an operating budget. The budget will be submitted, at the Planning Meeting, to the Board of Directors for approval.

Procedures: Each year, a Budget Meeting may be scheduled by the President-Elect. This meeting, when scheduled, shall be scheduled during February, March, April or May. Attendees will be designated by the President-Elect, but will generally consist of the current President, Treasurer, Incoming Treasurer, selected chairpersons, Board members and other members deemed necessary.

The line item budget shall include detailed schedules outlining specific sources of revenue and enumerating specific budgeted expenditures within each expense category.

Subject: Program Budget

Policy: The Chapter will be operated on a neutral to positive cash flow basis. An annual Program Budget will be prepared which maintains a reserve equal to or greater than one-fourth of the annual operating budget.

Procedures: The Chapter accounts for revenues and disbursements on an accrual basis. All revenue and expenditures are to be managed through the operating budget. Approval or modification of the budget may be accomplished by a simple majority approval of the Board members, at a regularly scheduled or special meeting at which a quorum is present.

Emergency non-budget expenditures may be verbally approved by a majority of the Board of Directors. Such expenditures must not exceed \$1,000 per submission or \$2,500 aggregate per quarter. Each expenditure must be supported by a written memo and approved by the President before any money is disbursed. Such approvals must be submitted to the full Board of Directors for formal approval at the next regular or called Board Meeting.

Subject: Program Cancellation

Policy: If a program is canceled, the Chapter will timely communicate this information to members, sponsors, faculty and any other registrants.

Procedures: Upon cancellation, the Chapter Manager will email a cancellation notification to all required parties.

Subject: Publication Costs

Policy: The Chapter will pay for all approved publication costs.

Procedures: Chapter members incurring publication expense shall submit a written request to the Newsletter Committee chairperson for approval. Said request shall include reasons for the expenditure and all supporting documentation. Upon approval, the Newsletter Committee chairperson will forward the request to the Treasurer for reimbursement.

Subject: Record Retention

Policy: All documents produced as a result of conducting the affairs of the Chapter shall be properly stored and safeguarded in order that a complete and accurate record of business transactions is readily available at all times. Recognizing that no valid reason exists to retain all documents for an indefinite period of time, certain documents shall be disposed of when their retention will not serve a useful purpose.

Documents to Archive:

Documents should be retained in accordance with the following record retention schedule. "P" indicates that the document should be retained permanently.

Accounting and Finance

20XX Documents Zip File Comprised of the Following - 7 years

- Accounts Payable Ledger (QuickBooks)
- Accounts Receivable Ledger (QuickBooks)
- Bills, Paid
- Cash Register
- Check Stubs
- Checks, Cancelled
- Payroll
- Petty Cash
- Correspondence
- Memos, Credit
- Debit
- Expense Records
- Invoices
- Petty Cash Reports
- Bank Deposit Information
(Statements, deposit books, slips, reconciliations)
- Budget
(Authorizations, statistical analysis of expense)
- Purchasing
(Correspondence, invoices, purchase orders)

Subject: Record Retention, continued

- Sales
 - Purchase Journal/Register
 - Accounts Receivable Register
 - Correspondence
 - Customer Orders
 - Educational/CPE Information
 - Invoices
 - Remittance Statements
 - Sales Journal/Register
 - Summaries of Expense

Correspondence

- General 2

Insurance

- Accident 8
- Fidelity 8
- Fire 8
- Hospital 7
- Inspection Certificates 7
- Liability 8
- Workmen's Compensation 10

Legal and Contracts (years)

- Contracts (including Chapter Manager contract) 10
- Customers (non-government) 10
- Government Contracts 4
- Employees P
- Royalties P
- Claims and litigation files 10
- Copyright, patent and trademark registration P

Photographs P

Programs – 5 Years

- Records of participation
- Dates and locations of program offerings
- Author/instructor, author/developer and reviewer names and credentials
 - For the CPA and tax attorney acting as an author/instructor, author/developer and reviewer for accounting, auditing or tax program(s), the state of licensure, license number and status of license should be maintained. For the enrolled agent acting in such capacity for tax program(s), information regarding the enrolled agent number should be maintained
- Number of CPE credits earned by participants
- Results of program evaluations
- Program descriptive materials (course announcement information)

Subject: Record Retention, continued

Archiving Procedures: Documents are to be provided to the Webmaster within 60 days after the end of the fiscal year (after the financial review has been approved). Photographs are to be provided to the Webmaster within 30 days of each event. Webmaster will send out a Document Retention Checklist listing all records generated by the chapter during the year to individuals responsible for providing documents to be housed on the website.

Responsible Parties for Providing Documents to Archive:

- Accounting and Finance – Treasurer
- Advertising – Chapter Manager
- Corporate Papers – Secretary
- Correspondence – All Leadership
- Insurance – Chapter Manager
- Legal and Contracts – Chapter Manager
- Photographs – Communications Committee
- Programs – Chapter Manager

Destruction Procedures: The Webmaster will review the previously stored records within 30 days after the end of the fiscal year and will send a proposed list of documents to be destroyed for Secretary's approval. Once approved, the documents will be deleted from the website.

Certification of Compliance: Once documents are uploaded to the website, the Webmaster will send a notification to the outgoing secretary that all records have been properly housed along with a proposed list of documents to be destroyed. The Secretary will approve/modify destruction list and verify overall compliance. The Secretary's certification of compliance would be a required record to retain.

Levels of Authorization: All items in the Documents to Archive Section will be accessible to Arkansas HFMA voting board members only, with exception of the Legal and Contracts section, which will only be accessible to the Webmaster, the President, and the Chapter Manager. A private Chapter Leadership page will be set up on the Arkansas HFMA website to house all of the documents mentioned in the Documents to Archive section.

Leadership role assignments will be updated by the Webmaster within 30 days of fiscal year end.

Storage Space: In order to accommodate the large document sizes, website storage space will be unlimited.

Subject: Regional and National Meeting Attendance

Policy: The Chapter will pay reasonable expense and registration fees in accordance with the approved Travel Expense for Chapter Officers policy for the following meetings:

- Leadership Training Conference – President, President-Elect, Secretary, Treasurer, Past President, First-year board members, Second-year board members
 - Any additional attendees may be approved by the in-coming President, as set out in guidance provided by National Office. This decision should be made by the incoming President by January of each year.
- Regional Presidents Meeting/Fall Volunteer Leadership – President, President-Elect
- Annual Conference – President, President-Elect, Past President
- Region 9 Annual Meeting – President, President-Elect

Subject: Registration Fees

Policy: The Chapter shall charge program registrants a registration fee that is appropriate for the sound management of the Chapter.

Procedures: At the beginning of each Chapter year, the Treasurer shall recommend a charge structure for education program registration fees. As a part of the budgeting process, recommendations to change the registration fee charge structure may be made by the Treasurer as deemed necessary. A late fee will be charged if the attendee registers after Friday of the week preceding the meeting.

Subject: Registration Refunds

Policy: The Chapter shall refund any quarterly meeting registration fee under conditions outlined in the procedures of this subject.

Procedures: If cancellations are received after the Friday before a quarterly meeting, only 50% of the registration fee is refundable. Registrants who do not cancel or cancel day of or after the meeting has started or fail to attend must pay the entire fee. Substitutions, however, are permitted. Registration forms and cancellations must be emailed. Phone and voicemail are not valid forms of communicating a cancellation. Refunds for one day meetings will be issued at 100% up to the Date as delineated in the meeting invitation. A refund request after this date will not be processed.

Subject: Reporting

Policy: The Treasurer shall be responsible for the preparation of Quarterly Financial statements outlining the fiscal operations of the Chapter for the current year. These reports shall include at a minimum, the following:

- Statement of the year-to-date revenue/expenses.
- Year-to-date comparisons of budget to actual revenue and expenses.
- Cash flow statement.

Subject: Supplies and Postage

Policy: The Chapter shall pay for budgeted supplies and postage expenses incurred by officers, directors, councils, committees and other members in the conduct of Chapter business.

Procedures: The member incurring the expense shall submit a Reimbursement of Expense form to the Chapter Treasurer. Such request shall identify the type of expense, date incurred and must be accompanied by receipts.

Subject: Travel Expense for Chapter Officers

Policy: The Chapter will pay for reasonable expenses and registration fees for the regional and national meetings described in the Regional and National Meeting Attendance policy in accordance with the procedures described below. Prior approval by the Board is required for payment of any other travel, registration fees or related expenses.

Procedures: The Chapter will reimburse travel expenditures on all approved meetings and other travel based on the policy set above. The member incurring the expense shall submit a Reimbursement of Expense form to the Chapter Treasurer. All expenditures are subject to review and if any expenses are deemed unreasonable or inappropriate by an officer, then they may not be reimbursed. Reimbursement for travel expenditures will be as follows:

- Meals - Actual costs will be reimbursed for meals. Meals should be itemized and receipts obtained on all meals. The Chapter will not reimburse cost of meals when already provided by the meeting.
- Accommodations - Allowance will be at a rate equal to or less than the standard single rate of the hotel at which the seminar, meeting or convention is being held. Attendees should stay at the hotel where the seminar, meeting or convention is being conducted.
- Transportation - Current IRS allowed mileage rate will be reimbursed for business use of personal vehicle. Coach airfare will be reimbursed at the lower super-saver rate available at the time reservations are confirmed.
- Intra-City Transportation - Prudence and discretion should be used regarding intra-city transportation. The most economical form of transportation should be utilized whenever possible. Personal intra-city transportation will be the responsibility of the individual and not eligible for reimbursement by HFMA.
- Tips/Gratuities - Tips/Gratuities for meals should not exceed 25% of the total cost of the meal. Reasonable tips/gratuities will be reimbursed for bellmen, etc.
- Registration Fees - Must be approved prior to actual enrollment.
- Parking Fees- Reasonable and customary parking fees will be reimbursed.
- Miscellaneous Expenses - Other reasonable expenses may be reimbursed. These expenses must be itemized and may require an accompanying receipt.

Subject: Travel Expense for Chapter Officers, continued

The Chapter will not pay for personal expenses such as haircuts, laundry, souvenirs, long distance calls, etc. The Chapter will not reimburse for expenses incurred by Officers' travel companions. In case of travel companions, detailed documentation should be submitted to justify expenses of the Chapter Officer.

Within thirty days after returning from a seminar, meeting, convention, workshop, etc., the member must complete a Travel Expense Form and forward to the Chapter Treasurer for approval. All receipts for hotels, meals and transportation must be attached to the completed form. The member must make an effort to obtain itemized receipts for all expenses. Chapter Treasurer will send a copy of all supporting documentation along with check to the Chapter President or other Officer for second signature. After appropriate approval, a check will be issued to the traveling member for all approved expenses.

Subject: Whistleblower Protection

Policy: As the nation's leading membership organization for healthcare financial management executives, HFMA prides itself on its adherence to federal, state, and local laws and/or regulations, including business ethics policies. HFMA has adopted a Code of Ethics, which requires each member of HFMA to promote the highest standards of professional conduct by practicing honesty and maintaining personal integrity. In furtherance of these principles, HFMA has adopted a whistleblower protection policy.

Procedures: Pursuant to this policy, as applicable to HFMA itself, any employee or member who becomes aware of any violation of federal, state, or local law or regulation, including any financial wrongdoing, should immediately report the violation to the President to allow the organization to investigate and, if applicable, correct the situation or condition.

If the President is involved or is believed to be involved in the matter being reported, employees or members may, in the alternative, make a report to the Chair of the Board of Directors. HFMA will conduct an investigation and take appropriate action within a reasonable period of time. Such complaints will be held in confidence to the extent the needs of the investigation permit.

If the violation of federal, state, or local law or regulation, or financial wrongdoing, concerns an HFMA chapter, the member (or the chapter employee, if applicable), should report the violation to the Chapter President. If the Chapter President is involved or is believed to be involved in the matter being reported, the violation should be reported to HFMA's President.

"Financial wrongdoing" may include, but is not limited to:

- Questionable accounting practices;
- Fraud or deliberate error in financial statements or recordkeeping;
- Deficiencies of internal accounting controls;
- Misrepresentations to company officers or accounting personnel

Subject: Whistleblower Protection, continued

If any member or employee reports in good faith what the member or employee believes to be a violation of the law and/or financial wrongdoing to an HFMA chapter or HFMA, its legal counsel, or to a federal, state, or local agency or assists in an investigation concerning financial wrongdoing, it is HFMA's policy that there will be no retaliation taken against the member or employee.

Members and employees are reminded of the importance of keeping financial matters confidential. Members and employees with questions concerning the confidentiality or appropriateness of disclosure of particular information should contact the Chapter President or HFMA National office executive.