



UNIFIED BANKING AND ACCOUNTING SERVICES FOR AFS-USA *Field Finance in the Digital Age*

WHAT is this new program?

- **“Unified Banking and Accounting Services”** - an exciting and streamlined approach to field banking and accounting
- Announced at the 2018 National Volunteer Assembly
- Enabled by technology
- Local Team bank accounts will be closed and balances transferred to a Master Field Cash account in NY.
- The cash will be maintained in this Master account on behalf of Teams and for Team use.

- **BENEFITS FOR VOLUNTEERS**
 - Credit Cards will be issued to Chairs and Treasurers
 - Remote deposits will be made through mobile banking
 - Volunteers will have quick access to team funds
 - Paperless – all transactions will be submitted online
 - Finance Reports will no longer be required
 - No more trips to bank

- **TEAMS RETAIN CONTROL OVER CASH**

- **TEAMS SPEND MONEY JUST AS THEY HAVE DONE**

- **THERE WILL BE FULL TRANSPARENCY INTO TEAM ACCOUNTS**
 - Financial reports will be available monthly on Global Link, eventually on MyAFS

WHY are we doing this?

- Even though there have been significant improvements, we continue to learn more and more about gaps in our chapter and team financial management. We must therefore improve the systems to address any risk to AFS-USA’s status and reputation.

- As scrutiny from the IRS, State Regulatory Agencies and our auditors increases, the demands on treasurers increase as well.

- Our current system is time consuming and cumbersome which has resulted in high turnover rates among Treasurers and contributes to difficulties in recruiting new volunteers for this important role.

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- There is a need for greater efficiency in recording and reporting.
 - The accounting staff tracks over 400 chapter and area team accounts. Maintaining the accounts centrally can substantially lessen the administrative burden.
- The AFS-USA Board of Directors—individually and collectively—has a legal responsibility to ensure that all AFS funds are managed properly.
 - Monies raised and disbursed must comply with not-for-profit regulations, and the Board is called upon to certify this.

WHY are we doing this NOW?

- We have discussed migrating to this system before, and some teams already have their accounts held in a central account managed by Finance staff. At this time, given the increased scrutiny from regulatory agencies and our auditors, we can no longer put off making this system mandatory for all chapters and teams.
- Bank partners can now provide the products and tools that are needed to make a unified banking system possible. These were not available a year ago.
- The Board of AFS-USA, exercising its fiduciary responsibility, has voted to make a Unified Banking System mandatory which requires that all monies raised and disbursed flow through a set of unified banking accounts.

HOW will this system work?

- The new systems will rely heavily on technology, cloud computing and other online functionality provided by financial institutions, as well as improved reporting tools recently developed by the AFS-USA finance team.
- Each chapter or area team's "account" is maintained separately in our accounting records
- Deposits, reimbursements, and expenditures can be made to and emanate from a unified account via:
 - Credit Cards issued to Chairs and Treasurers
 - Out of pocket expense reimbursements can be submitted by all volunteers via online tool
 - Deposits are enabled through mobile banking, either by computer, phone or tablet
- The only tasks required of Treasurers and Chairs will be:
 - Approval of transactions through the online system
 - Ensure credit card charges and deposits are coded properly

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- No longer necessary to submit monthly finance reports

WHEN will this change be implemented?

Change is never easy, and we will need to work collaboratively to manage the transition from today's variety of approaches to banking to the unified one. The transition to this system is anticipated to take 12-15 months.

Some of the steps have already been completed.

Step 1: Governance – January/February 2018

- The Board, having studied the issue in depth during 2017, voted to implement a Unified Banking and Accounting System, at its January 2018 board meeting.
- The National Council was briefed at its January 2018 meeting and unanimously endorsed moving forward with the new System.

Step 2: Ensure systems are available—January-June 2018

- The Finance staff at AFS in New York has most of the elements needed already in place.
- The remaining elements are yet to be finalized.

Step 3: Launch a workgroup of staff and key volunteers—March 2018

Goals of the workgroup:

- To obtain input and feedback from workgroup members that will be incorporated into System design
- To develop mutually agreed upon standards of performance for the accounting staff and treasurers.
 - When and how treasurers report; how fast accounting will issue a check; what local control is needed on credit card usage; how soon will entries by posted in the unified information system are all examples of items to be discussed
- To develop the communications plan
- To provide input to the training plan
 - Town hall meetings
 - Webinars
- NVA presentation planning

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Step 4: Communicate the rationale for change to chapters/area teams—April - September 2018

- NVA announcement
- Email announcement will be sent following the NVA to Chapter and Team Chairs and Treasurers
- Series of town hall meetings will be held on May 3, May 15, June 4 and June 14
- Pilot program launch for ten willing teams - July 2018

Step 5: Implementation—October 2018-June 2019

- Regional training sessions – During first quarter of 2019
- Full roll out during second quarter of 2019

WHO are the members of the Treasurers Workgroup?

Lynn Adams (Treasurer, Chequamegon)

Heather Bilcer (Treasurer, Greater Chicago)

Bob Delaney (Chair, Ohio River Valley)

Carol Mendoza (Treasurer, Heartland KS)

Tim Read (Treasurer, Milwaukee)

Scott Ready (Treasurer, Kansas City)

Justin Simpson (Treasurer, San Francisco Bay)

Peter Westort (Treasurer, World Class WI)

Susan Goldberg (Chief Financial Officer)

Scott Hume (Senior Manager, Field Operations)

Miriam Canela (Assistant Controller)

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