

# RRWC Fiscal Policies and Procedures

Recommended for Approval by:

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## GENERAL ACCOUNTING PRACTICES

**1. Policy:** All accounting procedures will be conducted on a cost basis.

**2. Policy:** The accounting system will provide for the proper identification of receipts and expenditures as required for all reporting purposes, as well as by individual grants and contracts.

**Procedure:** Bookkeeping services shall be contracted for or otherwise designated to a qualified individual by the Watershed Coordinator in concurrence with the Treasurer.

**3. Policy:** Disbursements to accounts payable are to be made in a timely fashion according to date due.

**4. Policy:** The monthly financial statements shall be reviewed by the Steering Committee.

**5. Policy:** Bank statements shall be reconciled on a monthly basis.

**Procedure:** Every month the bank statements shall be received unopened by the Watershed Coordinator directly from the bank, and shall review the contents promptly for any discrepancies.

**Procedure:** The Watershed Coordinator shall reconcile the bank statement, sign and date the reconciliation.

**Procedure:** The Treasurer shall receive the organization's bank statements on a monthly basis and review all enclosures. The Treasurer reviews the reconciliation by the Watershed Coordinator, signs and dates as to the review.

**6. Policy:** The organization will strive to maintain a Reserve Fund in the amount equal to a six-month operating budget.

## REVENUE COLLECTION

**7. Policy:** All receipts should be deposited in the bank, intact and on a timely basis.

**Procedure:** Receipts in excess of \$1,000 are deposited daily. Otherwise, all receipts are deposited once a week.

**Procedure:** The Watershed Coordinator will open mail containing checks and prepare the deposits.

**Procedure:** At the time of receipt, all checks shall be restrictively endorsed with the Russian River Watershed Council check endorsement stamp indicating "for deposit only." Receipt of cash or check is recorded in the organization's checking account register. Each check is photocopied.

**Procedure:** Any revenue not deposited at the end of the day will be kept in a locked and secured place until the bank deposit shall be completed.

**Procedure:** The deposit receipt and copies of all checks deposited are to be stapled to an itemized sheet that lists each check amount and the project or fund credited. These shall be given to the bookkeeper. All receipts will be entered into the accounting system by the bookkeeper and reconciled to the deposits.

**8. Policy:** The Watershed Coordinator shall account for all cash receipts.

**Procedure:** Pre-numbered receipts should be issued for all money upon receipt if at all possible and duplicate receipt copy should be retained. Cash must be deposited into the organization's accounts in a timely manner.

**Procedure:** Whenever cash is collected, two designated individuals “whenever possible” will collect the money and account for it in the cash receipts log, particularly when it is not practicable to issue cash receipts.

**Procedure:** the Watershed Coordinator and Treasurer should reconcile the cash receipts log and aggregate of the receipts issued monthly with the bank statements.

### **Donations**

**9. Policy:** Non-cash contributions in the form of facilities, materials and services that exceed the dollar amount of \$100.00 should be recorded as of “Non-cash Contributions.”

**10. Policy:** All stock contributions, unless designated otherwise by the donor, will be sold. The cash will be deposited in the general operating account, unless otherwise specified by the donor.

### **DISBURSEMENTS**

**11. Policy:** The Watershed Coordinator is authorized to write the checks.

**Procedure:** The Watershed Coordinator writes the checks to be signed by those authorized to sign the checks.

**Procedure:** Should the Watershed Coordinator be unable to perform duties as the designated check writer, one of the officers shall write checks until that role shall be replaced. A check writer may not also function as a check signer.

**Procedure:** Blank checks will be maintained by the Watershed Coordinator locked and secure place.

**12. Policy:** All disbursements must be made by check, except for Petty Cash reimbursements.

**Procedure:** the Watershed Coordinator prepares Checks.

**Procedure:** Proper supporting documentation usually in the form of an invoice for payment, purchase order, or evidence of receipt for goods and services must accompany each Check Request presented to check signers. Check requests must be duly authorized (signed and dated) by the Watershed Coordinator.

**13. Policy:** Checks may not be drawn to “cash.”

### **Check-signing**

**14. Policy:** Bank accounts shall be authorized annually by the Steering Committee.

**15. Policy:** Only one authorized signature is required for amounts under \$500. Two authorized signatures are required for amounts in excess of \$500.

**16. Policy:** A staff member may not be a single-signer on a check for which he/she is the payee.

**17. Policy:** The President, Vice-President, Treasurer, and Secretary, are among those authorized to sign checks. Authorized check-signers may not number more than five.

**18. Policy:** Under no circumstances will blank checks be pre-signed by any authorized signatory.

### **Petty Cash**

**19. Policy:** The Petty Cash Fund is maintained in the amount of \$100.00 and is solely administered by the Watershed Coordinator.

**Procedure:** Petty cash is kept in a locked drawer at all times.

**Procedure:** Appropriate receipts are provided for reimbursement. The Treasurer approves the petty cash fund reimbursement with appropriate report and attached receipts.

**Procedure:** Periodic surprise counts are conducted by the Treasurer.

**Procedure:** Petty cash reimbursement will be limited to amounts not to exceed \$50. No paychecks or accounts checks will be cashed out of the impress petty cash funds.

**20. Policy:** No loans are made to employees or members out of petty cash.

### **Purchasing**

**21. Policy:** Expenditures over \$2,000 require submission of 3 quotes and justification for vendor choice to the Steering Committee for prior approval.

**Procedures:** Purchase orders and other invoices for payment shall be marked before disbursement to designate date received, project designation, approved by, check # and date.

**22. Policy:** No expenditure may be committed until funds are obligated to the RRWC.

**Procedure:** All multi-stage contracts should state work/amount contractor is authorized to bill and that the work/amount is contingent upon continuation of RRWC's funding

### **Contracts**

**23. Policy:** The Steering Committee shall establish who can sign contracts and at what level.

**Procedure:** The Watershed Coordinator is authorized to sign contracts up to \$2,000, with prior approval by the Steering Committee.

**Procedure:** The President is authorized to sign those contracts in excess of \$2,000 that have been approved by the Steering Committee.

**Procedure:** Should the President be unavailable or unable to sign. Authorization to sign contracts may be conferred to another officer by a signed and dated letter.

### **Travel Expense Reimbursements**

**24. Policy:** Staff travel expenses shall be pre-approved by the Steering Committee for reimbursement only with a completed Travel Expense Report and accompanying documentation with all expense items fully explained and expenditures itemized.

**25. Policy:** Mileage is reimbursed at the IRS allowed rate. Accommodation and meals is reimbursed on a cost basis up the allowable Federal rate for cities.

### **Insurance**

**26. Policy:** The Council shall maintain General Liability and Directors and Officers\* Insurance policies that are paid on an annual basis. (\*Application pending approval of nonprofit status.)

## **FIXED ASSETS**

**27. Policy:** Fixed assets of the Council are under the control of the Watershed Coordinator.

**28. Policy:** A detailed inventory list of all assets, capitalized and not capitalized, shall be locked and secured at all times.

**Procedure:** The inventory list of assets notes cost, fixed asset number, and an adequate description for identification purposes including make, model number and serial number.

**Procedure:** A second list copy shall be maintained by the Treasurer.

**Procedure:** A yearly inventory of fixed assets will be taken to determine status, condition and location of fixed assets.

**29. Policy:** Assets of \$1,000 or greater in value, either non-cash contributions or purchases, with a useful life of at least three (3) years will be capitalized into fixed assets.