

Policy and Procedures Manual

Operation Threshold
Fiscal Department
October 2017

Policy and Procedures Fiscal Department

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Form Index

| <u>Form #</u> | <u>Form Name</u> |
|----------------------|---|
| FD100 | General Ledger Journal Entry Form(electronic) |
| FD101 | Accounts Payable Credit Memo Entry Form |
| FD103 | Petty Cash Form |
| FD104 | Petty Cash Fund Report Form |
| FD105 | Cash Receipt Form |
| FD106 | PO Requisition Form |
| FD107 | Purchase Order (Electronic) |
| FD108 | Purchase Order (Receiving Report) |
| FD109 | Materials Sheet |
| FD110 | Time Sheet |
| FD111 | Employee Status Change |
| FD111A | Sick Leave Conversion Request |
| FD112 | Travel Advance Request |
| FD112A | Leave Request |
| FD116 | Travel Expense/Mileage Voucher |
| FD117 | In-kind Contribution Report |
| FD119 | Security Deposit Account |

General

1. The Board of Directors formulates parameters, and delegates the administration of these policies to the administration staff and reviews the operations and activities.
2. The Executive Director has the responsibility for all operations and activities.
3. The Deputy Director is responsible to the Executive Director for all financial activities.
4. The Department Directors are responsible to the Executive Director.
5. The lines of authority as shown on the Agency Organization Chart will be followed by all employees.
6. Current job descriptions will be maintained for all employees.
7. Fiscal duties will be assigned so that no one person has sole control over cash receipts, accounts payable and payroll.
8. Duties in the Fiscal Department will be rotated whenever possible.
9. All Fiscal employees are required to take annual leave of a minimum of 40 consecutive working hours after the first year of employment.
10. Separate accounts will be maintained only if required by the funding source.
Location of the checking and savings accounts are as follows:
 - A. Checking Veridian Credit Union
 - B. Savings Veridian Credit Union
 - C. Former Bond Reserve Wells Fargo
 - D. Rent Deposits Veridian Credit Union
11. Authorized persons to sign checks are:
 - a. Board Treasurer
 - b. Executive Director
 - c. Deputy Director
 - d. Planning & Compliance Director
 - e. Human Resources Director
 - f. Other Board Approved Designee
12. The Agency uses a fund accounting system to record all revenue and expenses.
13. All forms are to be completed in ink.

Records

1. The Agency uses a double entry system to account for all funds.
2. All records are entered into an automated data system. Periodic system back ups are made when new data has been entered. Backups of the individual modules are made on a monthly basis. One set of backups will be kept off site.
3. All entries are made from the information on:
 - A. PO Requisition Form (FD106)
 - B. Purchase Order Form (FD107)
 1. Accounts payable charges and credits.
 - C. General Ledger Journal Entry Form (FD100)
 1. Cash receipts (Cash Receipts Journal)
 2. All other journal entries (General Journal)
 - E. Credit Voucher Data Entry (FD101)
4. Recurring expense vouchers are made by the accounting system. Vouchers are system generated and no individual copy is made.

Transactions include but are not limited to:

- A. Rents/Loan Payments
 - B. Payroll Deduction Payments
 - C. Recurring expenses
5. Record Retention Policy

Operation Threshold retains records as required by law and destroys them when appropriate. As applicable all files both hard copy and electronic shall be labeled with topic, year, and destruction date. Electronic copies shall be saved in appropriate folders on the network storage device. Hard copies should be stored in file cabinets or archived in the storage area. Archived hard copy files shall be stored appropriately.

The destruction of records must be approved by the Executive Director. Review and purging of files may take place on an ongoing basis, but must occur at least once per year, and must follow the minimum retention requirements outlined below. The destruction of any documents

containing social security numbers or any other “consumer data” as defined under federal laws and regulations shall be done via shredding using an approved shredding service provider.

The formal records retention policy of Operation Threshold is as follows:

| Record | Retention |
|---|---------------------------|
| Audit Reports | Permanent |
| Correspondence – Legal Matters | Permanent |
| Deeds, Mortgages and Bills of Sale | Permanent |
| Financial Statements – Year-End | Permanent |
| Contracts, Mortgages, Notes and Leases – Expired or Still in Effect | Permanent |
| Minute Books of Directors, Bylaws and Charters | Permanent |
| Retirement and Pension Records | Permanent |
| Tax Returns and Worksheets, Examination Reports and Other Documents Relating to Tax Filings | Permanent |
| Accident Reports/Claims (Settled Cases) | 7 Years |
| Accounts Payable Ledgers and Schedules | 7 Years |
| General Ledgers/Year-End Trial Balance | 7 Years |
| Garnishments | 7 Years |
| Insurance Claims | 7 Years |
| Inventories of Products, Materials and Supplies | 7 Years |
| Invoices (To Customers, From Vendors) | 7 Years |
| Notes Receivable Ledgers and Schedules | 7 Years |
| Payroll Records and Summaries | 7 Years |
| Personnel Records (Terminated) | 7 Years |
| Property Records (including Depreciation Schedules) | 7 Years |
| Duplicate Deposit Slips | 7 Years |
| Subsidiary Ledgers | 7 Years |
| Timesheets/Cards | 7 Years |
| Withholding Tax Statements | 7 Years |
| I-9 Forms | 3 Years after Termination |
| Bank Statements & Reconciliations | 3 Years |
| Chart of Accounts | 3 Years |
| Employment Applications | 3 Years |
| Insurance Policies (Expired) | 3 Years |
| Internal Reports | 3 Years |
| Petty Cash Vouchers | 3 Years |
| Correspondence – General | 2 Years |
| Personnel Records – Job Related Injury/Illness | 30 Years |
| Terminated Medical | 30 Years |

Exception for Investigations

In connection with any ongoing or anticipated investigation into allegations of violations of federal laws or regulations, provisions of government awards, or violations of the Organization’s Code of Conduct, the following exceptions are made to the preceding scheduled retention and/or destruction of records:

1. All records related to the subject of the investigation or allegation shall be exempt from any scheduled record destructions.
2. The term “records” shall also apply to any electronically stored record (e.g., documents stored on computers, email messages, etc.) which shall also be protected from destruction.

Petty Cash

1. The petty cash funds are used to make emergency purchases of \$25.00 or less or to purchase a roll of 100 stamps at current price.
2. The assigned Petty Cash Custodian is responsible for the Petty Cash Fund. This person will reconcile the fund and prepare the petty cash report on Form FD104. This report must be completed and forwarded to the Fiscal Office at least or at the end of each quarter, even if there were no expenditures. Any differences in reconciling the cash balance must be explained on the petty cash report.
3. No other cash will be kept with the petty cash fund. No personal checks will be cashed or loans/advances made with petty cash funds.
4. Documentation for disbursements must include a petty cash voucher, Form FD103, signed by the person that made the purchase, and the vendor receipt.
5. The petty cash voucher FD103 must be completed in ink and list the following:
 - A. Date
 - B. Amount of Expenditure
 - C. Item Purchased
 - D. Program Use
 - E. Signature of Person Receiving Cash
 - F. Approval of Supervisor
6. Periodic audits of petty cash funds will be made by the Fiscal Department.
7. Any irregularities will be immediately reported to the Executive Director.
8. Petty cash balances will be as follows:

| | | |
|----|-----------------|-----------|
| A. | Central Office | \$ 200.00 |
| B. | Buchanan Office | \$ 100.00 |
| C. | Grundy Office | \$ 100.00 |
9. The petty cash balance may be increased as activities require with the approval of the Board of Directors.

Cash Receipts

1. All incoming mail is opened and dated by the designated staff person.
2. All checks and Electronic Funds Transfer notices received will be recorded in the “Checks/Cash Log” electronic ledger by the Designated Admin. Staff. Checks with copy/ies are to be forwarded to the Fiscal Department.
3. All cash received must be recorded in the pre-numbered cash receipt book, Form FD105. The original copy is given to the payer, the second copy remains in the receipt book and the third copy is placed with the cash in a secured location.
4. All checks and cash are kept in a secured location until a deposit is made.
5. A designated staff person will prepare the deposit. Duplicate deposit tickets are prepared for each deposit. The deposit ticket will show the payer, check number and the amount. The duplicate copy is attached to the copies of the checks and other supporting records.

Security deposit payments are maintained in a separate account. Deposits are listed on deposit slips for that account. Payments included with rent payments are deposited in the agency account and a transfer is made through the online banking provided by the Financial Institution.

6. A validated receipt is attached to the above when received from the Financial Institution.
7. Deposits are generally made daily, and never less than weekly, or when receipts total \$500.
8. Authorized check signers will not make deposits and a deposit only ATM card will be used to make deposits in the Grundy Center Office.
9. All checks must be stamped with endorsement stamp stating the following:

For Deposit Only
Operation Threshold
Account #

10. All deposits are recorded in the cash receipts journal using a General Journal Entry, Form FD100.

Purchasing

A. Requisitions

1. A requisition, Form FD106, must be completed for all expenditures, except re-occurring expenses (i.e. utilities, phone, rent, mileage, Fed-Ex), Crisis payments, travel advance/reimbursement and when the agency is acting as a Fiscal Agent.
2. All requisitions must include the following:
 - a. Program use or purpose
 - b. Vendor name and address if applicable
 - c. Quantity and description of items
 - d. Cost or a “not to exceed amount”
 - e. Approval of the Department Director or a Designee authorizing purchase
3. Requisitions for items over \$1,000 must have copies of the written quotes attached or an explanation why three quotes are not available, except when the agency is acting as a Fiscal Agent for pass through funding.
4. The purchase of items with a unit cost of more than \$5,000 must be approved by the Board of Directors unless it is included in the Master Budget or the program budget. The only exceptions are when the Agency is acting as the Fiscal Agent, or in the emergency situation the Executive Director may approve the purchase and report to the Board of Directors at the next regular meeting.
5. The Executive Director or Designee, must approve the purchase of all items over \$499.99. (See Index Item 11). The only exception being when the Agency is acting as a Fiscal Agent.
6. The Executive Director is authorized to purchase real property for the housing program up to the amount established by the Board of Directors. Currently the amount is \$25,000.00 per property.

B. Purchase Orders

1. The purchase order, Form FD107, is an electronic form.
2. All purchase orders must list a not to exceed amount or actual cost.
3. Approval of the Department Director or another Director in their absents.

C. Receiving Reports

1. All shipments must be checked and recorded the day received. Any shortage or damage must be reported to the delivering carrier at once.
2. The required inventory records will be updated from the information on the vendor invoice.
3. All open receiving reports and vendor invoices will be reviewed bi-weekly.

Cash Disbursements

1. All vendor invoices are to be forwarded directly to the Fiscal Department.
2. All Agency expenditures require a Requisition Form (FD106) to be completed. All vouchers must have supporting documents attached before it will be processed. A complete requisition form and supporting documents include:
 - a. Requisition Form (FD106) (electronic)/PO form (produced by accounting software and number assigned by software) all data completed.
 - b. Requisition form must have Authorization of payment by the Department Director or Designee and the PO form must have the Executive Director and the Deputy Director or their Designee's Authorization of payment
 - c. Vendor original invoice (not a statement)
Invoice must show purchase order number if applicable and possible
 - d. Receiving Report (FD108) completed and signed if applicable

Exceptions: Vouchers for utilities, rents, taxes, mileage and other recurring expenses will be processed through the recurring voucher option in the accounting software.

Credit memos require a Credit Memo Data Entry Form (FD101) to be completed. Credit memos must be attached to the voucher and the reason for credit indicated.

3. All completed vouchers will be reviewed and approved by the Deputy Director, or Fiscal Manager, prior to entry.
4. Vouchers and invoices must be completed and entered at least bi-weekly.
5. Payment of all vouchers must be made within 30 days or within the terms of the invoice. Cash discounts must be taken if offered.
6. Payment vouchers are processed at least every other week. All request for payment of vouchers must be in the Fiscal Department by 12:00 p.m. on the first business day of the week if payment is to be made that week. Requests submitted after that time may be processed the following payment cycle.
7. Vouchers for LiHEAP assistance payments are prepared by the THO CIS System and no hard copy is prepared. The software assigns numbers that are a different series than the regular accounts payable vouchers. The THO LIHEAP CIS software creates the voucher and then it is imported into the Orion Accounting software to be processed through Accounts payable usually in a separate batch run. All payments are approved by the Executive Director or his/her designee and Deputy Director, or his/her designee prior to payment.

8. Vouchers for Assistance to Individuals (Crisis) are prepared by the THO CIS System and a system generated application is prepared. The THO CIS software creates the voucher and then it is imported into the Orion Accounting software to be processed through Accounts Payable which may or may not be a separate batch run. All payments are approved by the Executive Director or his/her designee prior to payment.
9. All unpaid vouchers will be filed in an "Open Voucher" file.
10. Accounts payable checks are processed at least on a bi-weekly schedule. Vouchers are selected by *due date* and a **Cash Requirement Report** is printed. This report is reviewed and approved by the Deputy Director, or the Fiscal Manager, prior to checks being printed. All checks, vouchers and supporting documents and Cash Requirement Reports are given to the Executive Director, or his/her designee, who will approve and sign all vouchers and authorize the signature of all checks. When complete, all of the above are returned to the Fiscal Department for second check signature. All checks require two signatures.
11. Accounts Payable Electronic Transfers are processed at least on a bi-weekly schedule. Designated vendors will receive EFT payments instead of checks. Vendors that have been designated for electronic transfer are processed along with all other vendors, but these vendors do not receive a check. A separate Electronic Transfer notice is printed for these vendors. Cash Requirement Reports will include separate subtotals for checks and Electronic Transfer and electronic vendors will be flagged on the report.
12. All vouchers and invoices must be stamped *paid* with the date. The duplicate copy of the check must be attached to all the vouchers paid with that check. All documents will be reviewed by the Deputy Director or designee before filing.
13. Single batch checks will be issued only in an emergency and when payment is required prior to the next payment cycle. Request must be approved by the Executive Director, or designee, prior to processing. These will be kept to an absolute minimum. The same procedures must be followed as detailed above.
14. An electronic log will be kept for all single batch checks.
15. All voided checks and vouchers must be approved by the Deputy Director prior to voiding. All documents must be stamped *void* and dated.
16. All voided checks must be recorded in the electronic *void* log.
17. Requests for travel advances/reimbursement on Form FD116 will usually be processed as a normal accounts payable transaction. The Executive Director or designee, must approve all requests prior to processing. Payment of these expenses will not be included on any payroll checks (see Index Item 8) unless required by regulations.

18. All system checks have a 6 digit number.
Three series of numbers are used to aid in sorting and reconciling checks.
Beginning numbers are:
 - Payroll - 1
 - Accounts Payable - 3
 - LiHEAP – 6

19. Security deposits are refunded as applicable, using a security deposit accounting form, (Form FD119). This is completed by the Rental Property Specialist or designee and forwarded to the Fiscal Manager for processing. Checks for refunds are non-system checks and are entered in General Ledger via General Journal Entry. If the security deposit is not refunded, than the funds are transferred between the security deposit account and the general Agency account via the Financial Institutions' online service.

20. Taxes, some payroll related payments, and some loan payments will be made by Electronic Funds Transfers. In addition we will make EFT transfers as required by funders to facilitate grant needs.

Payroll

A. New Employees

1. All hiring procedures are as per the Personnel Policy Manual.
2. The Human Resource Director is responsible for completing all required forms for new employees.
3. No employee shall be paid until all the proper forms are completed and received by the Fiscal Department.

B. Time Sheets

1. Payroll period is as defined in the Personnel Policy Manual.
2. All employees are responsible for completing a time sheet, Form FD110 or an internet timesheet, for each pay period. All time and program information must be completed. Time sheet (Form DF110) must be signed by the employee and department director. In cases of internet timesheet use, timesheets must be submitted to Department Director via web site.
3. Weatherization staff/ housing production workers must complete a daily log of time for all projects worked on for that period and must have a job number listed for the jobs worked on for weatherization for that period.
4. Time sheets are due in the Fiscal Department by 12:00 p.m. on the first work day following the end of the payroll period. With the use of internet timesheets Department Directors must review submitted internet timesheets and approve staff hours worked and distribution of hours via web site, and the print and submit approved timesheets to the Fiscal Department.
5. Incomplete time sheets will be returned to the Department Director. Late time sheets may be held until the next payroll period.
6. All Leave Requests Form FD112A or internet leave requests for paid unworked time are due in the Fiscal Department by 12:00 p.m. on the first work day following the end of the payroll period. Unworked hours will not be paid if Leave Requests (Form FD112A) or internet leave requests, are not submitted to Fiscal. All unpaid time off requires the Executive Director's approval.
7. All Emergency Leave, Administrative Leave and Floating Holidays must be approved and recorded in the payroll system prior to 12:00 p.m. on the first work day following the end of the payroll period. Emergency and Administrative Leave requires the Executive Director's approval.

C. Payroll Processing

1. Payroll is prepared using the Data Processing System. Hours are coded with the program codes and entered into the system. The system calculates all information required for the distribution of payroll, taxes and deductions for check writing and General Ledger entries.
2. The designated Fiscal Staff will prepare a listing of hour distribution and payroll check report for approval. The Executive Director or Deputy Director will approve this report before checks/direct deposits are written. In the absence of both Directors, the Deputy Director or Executive Director will designate a signer.
3. The system accrues vacation and sick time hours at the rate per the Personnel Policy Manual. Hours are deducted when listed as used on the time sheets.
4. All payroll checks require two signatures. In the case of direct deposit, the system creates the direct deposit file that is submitted to our financial institution.
5. The designated Fiscal staff will mail, email or hand distribute to staff all payroll checks/direct deposit notice.

D. Overtime And Flex Time

1. Refer to the Personnel Policies Manual for the definition of the above.
2. All overtime should be approved in advance by the Department Director or the Executive Director.
3. All overtime must be paid, regardless of whether or not it was approved in advance.
4. It is the Department Director's responsibility to arrange for Flex Time.

E. Payroll Taxes

1. A payroll tax deposit will be made the same week payroll checks are processed or as required by the Internal Revenue Service.

F. Workers Compensation Insurance

1. The payroll system will calculate the worker compensation insurance charge each payroll period and charge the Pre-Paid Insurance Account in the Payroll Fund.

G. Payroll Deductions

1. No payroll deductions will be made unless Form FD111 has been completed.

2. Payroll deductions are limited to the following:
 - a. Health/Dental Insurance
 - c. T.S.A. Contributions
 - c. IPERS
 - d. Flexible Benefit Plan
 - e. United Way Contributions
 - f. Any work related items (i.e. uniforms)
 - g. Any other as required by law (i.e. Child Support, Garnishments, Tax Liens)
 - h. Other as approved by Executive Director and employee

H. Cost Allocations

Cost Allocation will be run for each payroll. Cost included are:

- A. Health/Dental/STD Insurance
- B. Retirement Match

Travel

A. General

1. Routine travel from home to assigned places of work will not be reimbursed.
2. Authorized travel for official agency duties will be reimbursed at a rate that is established by the Board of Directors. The current mileage rate is the State of Iowa's mileage rate.
3. All mileage costs are initiated from the employee's regular office site. The only exceptions are when an employee is leaving from a non-work site and it is shorter from the non-work site than from the office site or for the on call staff responding to a beeper call after hours (mileage will be paid from the location of the staff person).
4. Extensive travel, or travel requiring an overnight stay, must be approved in advance by the Department Director (or Executive Director for managerial employees).
5. Payment of travel expenses will be made the same week as accounts payable.
6. Travel reimbursement is separated into two categories'; "in service area" and "out of service area".
7. Request for payment must be made on Form FD116. Staff is required to turn in mileage and travel reimbursement to their Department Director no later than the first business day following the end of the month in which they completed their travel. All information must be completed, signed by the employee and approved by the Department Director before submission to the Fiscal Department. Mileage and travel expenses will not be reimbursed if mileage is not complete and turned in by the established deadline.

B. In Service Area

1. The service area is defined as Black Hawk, Buchanan and Grundy counties. Additional counties can be considered "in service areas" as determined by grant requirements and Executive Director approval.
2. Mileage is the only allowable expense in the "in service area". Any exception must be approved in advance by the Department Director and the Executive Director.

C. Out Of Service Area

1. “Out of service area” is any area not defined as an “in service area”.
2. Allowable expenses include but may not be limited to mileage, airfare, parking and surface transportation to and from airport and lodging and/or lodging and meeting sites. Receipts for these expenses, including odometer readings for mileage, must accompany the report for reimbursement. For trips requiring the use of public/mass transportation, the agency will reimburse the cost of long-term parking at a local airport. Out-of-town parking reimbursement will be considered on a case-by-case basis.
3. Lodging is allowed at the current rate at the destination.
4. Reimbursement rates for meal reimbursements shall be made on the basis of the federal and state per diem maximums. Meals within the State of Iowa will be paid according to the per diem maximums set forth by the State of Iowa. For out of state meals, the Regular Federal Per Diem Rate Method amount listed with the US General Service Administration (www.gsa.gov) will be paid. Operation Threshold follows the IRS regulations regarding the taxability of meal reimbursement. Meal reimbursement will not apply without an overnight stay.
5. Breakfast will only be reimbursed if traveler leaves before 7:00 AM and Dinner will only be reimbursed if traveler returns after 6:30 PM. If any meal is provided by the event or place of lodging then the per diem for that meal will not apply.

D. Travel Advances

1. Requests for travel advances must be submitted on Request Form FD112 and be approved by the Department Director and the Executive Director. A copy of the conference/training schedule agenda or meeting notice must be attached. Approval for travel advances maybe based on the length of time and distance traveled out of area.
2. Requests for travel advances must be submitted to the Fiscal Department complete, at least 10 business days prior to travel.
3. The travel advance meal allowance may not exceed the State of Iowa’s per diem or Regular Federal per diem rated for out of state travel, unless a greater amount is authorized by the Executive Director due to the unusual circumstances of the travel assignment or location.

4. Within 5 business days of return or the first business day of the month following the return, whichever is shorter, employee must submit a completed Expense Voucher Form FD116 with documentation for all reimbursable expenses except meals which will be paid out on a per diem basis. A copy of the travel advance Form FD112 must also be attached. All excess funds must be returned and a receipt received. A copy of the receipt must be included with this report when submitted to the Fiscal Department. Any payment due employee will be made in the next accounts payable cycle. Failure to meet the listed deadline will result in the full amount of the travel advance being deducted from the employee's next pay check.

Telephone

1. All phone calls out of the local calling area require an employee code to be used.
2. All employees will be assigned an individual code number.
3. Personal long distance calls must be reimbursed to the Agency at cost.

Copying

1. Personal copies must be reimbursed to the Agency at 10 cents a page.

Faxing

1. Personal faxes must be reimbursed to the agency at 10 cents a page to send or receive. Long distance faxing will require reimbursement of the long distance charge (see Telephone 3).

Merchants and Fuel Credit Cards

1. Most credit cards are to be kept locked in the Admin. Department and checked out when needed by authorized staff. Exceptions are fuel cards, Walmart cards and the individual housing staff lumber yard cards that include both the staff name and the Agency's name on the card.
2. Fuel cards are kept in the Operation Threshold vehicles with the registration and insurance verification.
3. Both Buchanan and Grundy offices have a Walmart card.
4. Receipts for fuel are to be marked as to what the fuel is for i.e. Truck (with mileage on odometer to be marked on receipt), lawn equipment, generator or rented equipment.
5. Receipts are to be legibly signed by person obtaining merchandise or fuel. Only fuel, lubricating oil, fuel gift cards and in store purchases approved by Department Directors are to be charged on the fuel cards.
6. Receipts are to be submitted to the Department Director or Housing Fiscal Specialist upon return to the office.

Agency Credit Card

1. Corporate credit cards will be kept locked in the Admin. Department and checked out when needed by authorized staff. The staff are responsible for maintaining physical control over the credit card at all times while the card is checked out to them. The authorized staff must personally check in the card with the Admin. Department.
2. Corporate credit cards are only to be used for Operation Threshold business and in emergencies for personal costs incurred while traveling on agency business.
3. Individual purchases must be within the limits of the authorized Purchase Order.
4. Credit card purchases must be from a fund that the Department Director/authorized staff has budget authority over or have written authorization from the Department Director who has fund approval. All purchase should be in accordance with Operation Threshold's purchasing policies.
5. Credit card use for travel costs is authorized as part of the travel approval process and is limited to conference fees, approved modes of transportation, parking, bag fees and hotel accommodations.
6. The authorized staff must receive a purchase order number from the Fiscal Department prior to use. Multiple vendors require multiple purchase orders.
7. The staff may not purchase equipment without prior approval of the Executive Director or his/her designee.
8. No cash advances (without exception) may be taken on credit cards.
9. Register receipts and/or receiving slips that clearly identify the purchase and credit card slips must be maintained by the authorized staff. Each transaction, its authorization and/or Purchase Order number, and account codes to be charged should be recorded on the day it occurs on the purchase requisition and submitted to the Department Director.
10. The Fiscal Department will send a copy of the credit card statement to the Department Directors for review as needed. The Fiscal Department will resolve any disputed items on the statement identified by the Department Directors.

11. Travel expense reports must still be completed and turned into the Fiscal Department within five (5) business days of return or by the first business day of the month following the travel, whichever is sooner. Expenses charged to the agency credit card should be recorded on the appropriate line with the appropriate fund(s) to be charged identified.
12. The Fiscal Department will pay credit card bills when due unless they are notified of disputed items by the Department Directors or Program Managers. Any items that does not have adequate documentation will be viewed as personal and the authorized staff is expected to provide payment to the Receptionist and a copy of the receipt to the Fiscal Department with the close-out materials.
13. Misuse of credit cards may result in disciplinary action including termination, and/or legal action to recover funds and criminal charges.

Equipment and Property

A. Equipment

1. Equipment shall be defined as an item with a value of \$5,000 or more and a normal useful life of more than one year (Normal Depreciation Regulations), unless a particular funding source requires a more restrictive definition.
2. The Fiscal Department will assign identification numbers and maintain the inventory listing.
3. A physical inventory will be made at least annually.
4. Employees are to notify the Fiscal Department in writing of any changes in location, loss, damage or destruction of any equipment. A copy of this report must also be given to the Executive Director.
5. The purchase of equipment using program funds must be in compliance with the contract with the funding source or be included in the program budget before purchase is made.

B. Property

1. The maintenance and operation of the Agency main office buildings and all other property is under the direction of the Housing Department.
2. Rental property is operated per the Agency rental policy.
3. Other housing property must be operated under the specific program guidelines.
4. Value of donated property will be the assessed or appraised value.
5. The Executive Director is authorized to purchase real property for the housing program up to the amount established by the Board of Directors. Currently the amount is \$25,000.00 per property.
6. Inventory will be maintained on a First In First Out basis. and physical inventory counts will be taken as needed but not less than quarterly and at the end of the fiscal year.

Leases - Buildings And Equipment

1. All leases must be approved by the Executive Director.
2. The Executive Director is authorized to approve leases renewals.
3. The Board of Directors will approve all non-program leases not included in the Master Budget that exceed one year in duration.
4. When feasible, all leases should correspond to the Agency Fiscal Year or the program year.
5. The originals of all leases must be forwarded to the Fiscal Department for audit purposes.

Professional Services

1. Insurance, financial, benefit administration and legal services will be evaluated by management in conjunction with the Board of Directors every 3 – 5 years or sooner if necessary. Management staff will follow through on any recommendations made by the Board of Directors.

Insurance

1. The Agency will maintain policies for the following:
 - a. All property real and other owned by the Agency
 - b. General Liability, including Umbrella coverage
 - c. Agency Vehicles
 - d. Employee Bonding
 - e. Data Processing, Hardware - Software - Expenses
 - f. Volunteer Liability
 - g. Officers and Directors
 - h. Contractors bond when required
 - i. Workers Compensation
 - j. Flood, as required
 - k. Inland Marine
 - l. Pollution Occurrence
 - m. As required by funders

2. Insurance policies will be maintained in the Fiscal Department.

Misc. Receipts

1. Program related income will be credited to the program generating the income, thereby reducing the cost of the program or increasing services.
2. Donations of cash, interest and non-program income will be individually accounted for.
3. Agency funds may be designated for use for a particular project or as the Agency determines. Expenditures of undesignated donations will be approved by the Executive Director and reported to the Board of Directors if expenditure is not part of the annual Master Budget.

Grants And Contracts

1. Copies of all grants, contracts and external financial reports will be maintained in the Fiscal Department for audit purposes.
2. Journal entries will be made to record all grants and binding contracts.
3. The Deputy Director or Fiscal Manager will review each grant and contract to insure that all financial provisions will be complied with.
4. The Executive Director, Department and Planning and Compliance Director will review each grant to insure that all program and budgeting provisions will be complied with. In addition the HR Director will review each grant to insure compliance with personnel requirements.

Budgets

1. Annual Master Budget will be prepared by the Deputy Director based on information provided by the Executive Director and Department Directors.
2. Annual Master Budget will be reviewed and approved by the Executive Director before submitting to the Board of Directors for approval.
3. Deputy Director will monitor all budget expenditures to insure amounts are within budget and meet contractual requirements.
4. Deputy Director will advise Executive Director of any budget problems or when a budget revision is required.
5. Department Directors must advise Executive Director when program changes will require a budget revision.
6. Executive Director must approve all budget revisions prior to submission to the funding source.
7. Executive Director must approve all budget and budget revisions prior to implementation.
8. Copies of all budget revisions must be filed with the Fiscal Department.

Reports

1. Monthly financial reports to the Board of Directors will include the following:
 - a. Consolidated Balance Sheet
 - b. Consolidated Statement of Operations
 - c. Categorized Statement of Operations
2. Department Directors will receive a monthly expense and/or Trial Balance report for their programs.
3. Funding sources will receive expenditure reports as required by the contract.
4. The Deputy Director will be responsible for the completion of all required fiscal reports.
5. Department Directors are responsible for promptly providing the Fiscal Department with all necessary program information to allow for the timely preparation of financial reports.
6. The Executive Director or designee will review and sign all reports to funding sources as required by the contract.

Loans

1. There will be no loans between funds unless approved by the Board of Directors. Loans are limited to Agency funds only.
2. There will be no loans made to employees.
3. Loans from any source must be approved by the Board of Directors.

Non Cash In-kind

1. All in-kind contributions received will be recorded on the “In-kind Report” form (Form FD117) and entered into the Donor data base.
2. The agency does not record non cash in-kind amounts in the General Ledger unless required for accounting for program match.
3. Value of volunteer hours will be based on the rate specified by Funders.