

Alsea Valley Gleaners

Policies and Procedures

Organization Structure as defined under Article II of the Alsea Valley Gleaners' Bylaws:

“The Alsea Valley Gleaners is a Membership Organization”

“The membership shall include any individual who wishes to participate in the organization and who meets the eligibility requirements as defined the AVG policies and procedures document approved by the AVG Board of Directors”

MEMBERSHIP GROUPS.

Section 1: Membership in the Alsea Valley Gleaners' Gleaning Group.

(Definition: The Alsea Valley Gleaners' Gleaning Group Membership shall include any individual in Oregon who wishes to participate* in the AVG gleaning program, who qualifies under the Federal Income Guidelines, board consideration of individuals that were subject to disciplinary action, and has their name entered on the membership rolls.)

*Active participation is as a gleaner. For those who need to be adoptees there needs to be consideration of which of our members or volunteers are their sponsor. We try to maintain a % adoptees in the organization but this is capacity dependent.

A: Members in AVG's Gleaning Group shall be divided into the following categories:

1. Gleaners, Who must:

- a. Understand and accept the rules, responsibilities, and operation of the group.
- b. Cooperate fully with the participation of the requirements of the group.
- c. Fulfill task(s) assigned by your Coordinator or Assistant Coordinator which are not limited to gleans.
- d. Be willing to volunteer to help in other ways if unable to go to the field or do a specific task, i.e. childcare, distribution, food preservation for adoptees and fundraising activities.
- e. Participate in all gleans whether food is wanted or not.
- f. Be knowledgeable of and observe distribution and record keeping policies of the group.
- g. Attend gleaner meetings or send a representative.
- h. Respect and follow all rules and conditions set out by Linn-Benton Food Share, donors or growers whenever participating in gleans, repacks or picking up donations for the AVG.
- i. Are responsible for making sure all other gleaners in the group are aware of and are

following the rules.

- j. **Not participate in or promote rumors, gossip, complaining, or any other negative interactions. Not post complaints on social media public, private, chats, but go to your AVG group coordinator, or board member and discuss any concerns to be worked out in a positive and productive way. Grievances filled out if not rectified.**

2. **Adoptees who Must:**

(Adoptee households are those in which no adult member is either physically and/or mentally capable of performing the groups' hours of required service. Adults being defined as those who have attained the age of 18 or are no longer enrolled or eligible for high school.)

- a. Understand and accept the rules and responsibilities of the gleaning program.
- b. Let board members or group coordinator know how s/he can help and participate in whatever way they can.
- c. If the adoptee household has a member who is physically able to be a gleaner they will be required to participate as a gleaner.
- d. Attend group meetings whenever possible.
- f. Know who board members are and who the group coordinator is.
- g. **Not participate in or promote rumors, gossip, complaining, or any other negative interactions. Not post complaints on social media public, private, chats, but go to your AVG group coordinator, or board member and discuss any concerns to be worked out in a positive and productive way. Grievances filled out if not rectified.**

B: Application-New Members:

1. All gleaners and adoptees shall have on file a current application form, filled out completely and signed.
2. All applicants must renew their application in April of each year.
3. An electronic version is available for members wishing to do it by computer. Electronic signature is acceptable (working toward this option).

C: Multiple group membership:

1. Gleaners and Adoptees may not be concurrent members of more than one gleaning group.
2. Gleaners and Adoptees may move membership from another gleaning group with approval by AVG board.

D. Member Rights:

(Members shall be eligible to participate in the benefits of AVG as listed below.)

1. Voting members shall be those who are currently participating in the organization, (According to the current policies), who are attending meetings, and whose names are on rolls. One vote per active member in good standing. An active member in good standing is defined as one who is current on their volunteer hours, shared maintenance contributions, and not currently subject to any sort of disciplinary action, pending or otherwise.
2. All members shall have access to the food gleaned by the organization in accordance with the rules set forth by AVG.
3. Process for filing a complaint.
 - a. Member shall have right to discuss any issue that arises with any board member as an attempt to resolve the issue. A report of the meeting shall be recorded on a grievance form and placed in the lockbox to be collected by the Treasurer and noted at the following monthly board meeting.
 - b. If necessary, Executive Director shall perform follow-up meeting with member for possible resolution. Written documentation of meeting shall be prepared by executive director. (Copy given to member.)
 - c. Member shall have the right to file a complaint with Linn-Benton Food Share if issue is not resolved within 10 days of the monthly board meeting at which it was noted.
4. Member process for appealing termination from AVG gleaning group.
 - a. Subsequent to member receipt of written letter of termination, giving the required 15 day notice, member shall have an opportunity to be heard by the board, orally or in writing, not less than five days before the effective date of termination.
 - b. During the 15 day period gleaned food, household supplies and wood will not be withheld.

Section 2: Alsea Valley Gleaners' Volunteer Group.

(Definition: The Alsea Valley Gleaners' Volunteer Group Membership shall include any individual who wishes to participate in the AVG's volunteer program where income is not a condition of eligibility.) Members of the Volunteer Group are not required to be members of the AVG Gleaning Group.

Members of the AVG Gleaning Group may also be members of the Alsea Valley Gleaner's Volunteer Group.

A: Application-New Members:

1. All AVG Volunteer Group members shall have on file a current application form, including a current resume and brief letter of explanation as to why the desire to volunteer with the AVG organization.
2. An electronic version is available for members wishing to do it by computer. Electronic signature is acceptable.

3. All applicants must renew their application in April of each year.
4. All AVG Volunteer Group members shall be required to pass a criminal background check.

B: Appointment to sub-committees:

1. From time to time volunteers will be expected to participate in working sub-committees which are implemented for greater efficiency of AVG program/project operations.
2. Should a perceived "conflict of interest exist" volunteers are expected to excuse themselves in the actions/planning, etc.

C: Fundraising Activities:

1. Volunteer Group members will be expected to participate in fundraising activities as their skills and talents dictate.
2. Volunteer Group members will be expected to share the information about the AVG organization and its history and successes plus its financial needs to further the stability of continuing programs.

D: Reimbursement for mileage and travel expenses:

1. Members of the AVG Volunteer Group shall be reimbursed for mileage and travel when it is relative to a certain project activity outside normal gleaning operations and budgeted for in the grant or fundraising funds allotted for that project. No gleaning program resources shall be used for said reimbursement.

E: AVG Board Representation:

1. One active member from the Volunteer Membership Group shall have a representative position on the AVG board in advisory capacity.
2. Representative is expected to attend monthly board meetings, quarterly meetings and annual budget meetings with up to date presentation of volunteer activities and project developments.

GOVERNING BODY

Section 1: OFFICERS and DIRECTORS

A. The elected officers of the AVG Board of Directors shall be: Executive Director, Coordinator, Assistant Coordinator, Secretary, and Treasurer.

B. The Various Officers and Chairpersons of AVG shall:

1. Make full and complete written reports of the operations of their office at each general meeting.

2. File said reports with the secretary; and 3) when retiring from office, deliver to their successor in office all monies, books and other property of AVG in their possession or under their control.

C: Filling of Board Officer(s) and Director vacancies:

1. All vacancies in elective officers and directors in AVG Board of Directors shall be filled at the next general meeting for the remainder of the term.
2. An office shall be deemed vacant when two (2) consecutive regularly scheduled meetings are missed without a valid excuse, in writing, approved by three (3) other board members.
3. Elected officers on leave of absence (not participating in the capacity of their duties) for a period of more than 60 days, must relinquish their office so the organization can function smoothly in their absence, with an interim appointment made by executive director and approved by remaining board.

D: Removal from office:

1. Any officer/director may be removed, with cause, at a Special Meeting called for that purpose, by a vote of a majority of the members entitled to vote at an election of officers.

Section 2. Term of Office:

A: The term of all elected officers shall be two (2) years.

1. An officer may be reelected with no limitation on the number of terms s/he may serve.
2. The officers shall be elected by a majority vote of the members that are allowed to vote at the January annual meeting of the members.
3. Members may vote by email listed on the rolls to LBFS for 3rd party tally in January.
4. The results will be announced by LBFS before the 5th of February.

B: The fiscal year shall be from January 1, through and including December 31, of each year.

C: When elected officer and directors shall serve from date of election results to the conclusion of the term.

D: A staggering system for elections shall be adopted as follows:

1. The Executive Director and Secretary office and director(s) #2 and #4 shall be up for election on even years.
2. The Coordinator, Assistant Coordinator, and Treasurer office and director(s) #1 and #3 shall be up for election on odd years.

Section 3. Election of Officers:

A: Officers and directors must have a minimum of one year's service or 120 hours experience as a gleaner or adoptee, staff member, or volunteer with a gleaning group to be eligible.

Candidates must not have been subject to any sort of disciplinary action in the previous 12 months.

B: A job description will be updated for the Nov Board Meeting and Nominations will be presented at the Nov Board Meeting. The BOD will determine per the Bylaws and these P&P if they qualify for accepting the position.

C: Potential candidates for the officer position open will be interviewed by the board members at a Special Board Meeting within the first two weeks of Dec.

D: Board members shall come to consensus regarding decision on nominations for officers.

E: Executive Director shall present nominations to the general membership by Dec 15th and at the Annual Meeting.

F: Any nominee may have the opportunity to decline nomination for the office to which s/he has been nominated before the nominations are closed.

G: Within 2 weeks the qualified nominees who accept their nomination will be listed as incumbents for consideration along with the current Board of Directors in the positions at that time.

H: Regular election of officers shall be held at the January Annual Membership Meeting at the end of January.

I: All officers will be elected by a majority vote of the active members present. One vote per active member in good standing.

J: Vote by electronic means, specifically email, is allowed, provided the member voting clearly identifies themselves which should also reflect the email on the rolls. This will go to LBFS Susan James (sjames@communityservices.us)

K: Vote by proxy is not allowed.

Section 3. Officers' Powers and Duties:

A: The duty of the Executive Director (ED) shall be to act in a leadership capacity to:

1. Ensure that all business of the organization is handled with dispatch and that the AVG adheres to the Federal and State rules and regulations as they pertain to the operations of a 501(C)3 non-profit, classified as a public charity.
2. Assure that AVG shall operate at all times in a fashion that will not discriminate by race, religion, sex, age, national origin, or medical choices.
3. Preside at all meetings of the organization.
4. Appoint all committees, except the grievance committee.
5. Review approve all purchases for appropriateness.
6. Perform contract negotiations and present to board for approval.

7. Enter into partnership agreements with board approval.
8. Supervise and direct volunteers and chairs of committees.
9. Counter sign all checks for disbursement of the organization's funds, unless when they are reimbursements to the ED.

B: The duty of the Secretary is to assist the Executive Director and to preside in the absence of the Assistant Coordinator.

1. Assist in the operations of all AVG program operations and project development.
2. Co-sign checks when Executive Director can't.
3. Prepare the organization's annual Federal 990s and the Oregon State CT-12 plus any additional tax records necessary.
4. Maintain By-Laws and prepare revisions as necessary for board approval and submit to State for up-date.
5. Other duties as assigned by the Executive Director.

C: The duty of the Coordinator shall be to manage the Monthly Reporting to LBFS.

1. Review and track emails that pertain to the organization's activities.
2. Record all proceedings of each meeting of the organization in the form of final minutes 1 week after each meeting.
3. Maintain complete original applications for all members and adoptees.
4. Update rolls and membership Distribution Sheets with recorded weights and Hours.
5. Other duties as assigned by the Executive Director.

D: The duty of the Treasurer shall be responsible for the fiscal operations and financial records of the organization. The Treasurer shall:

1. Receive and hold all monies, securities, vouchers, and such property of the organization as may pertain to his/her office.
2. Pay out monies only after the Executive Director has authorized payment.
3. Collect all monies due the organization.
4. Deposit all monies in the Alsea Valley Gleaners checking account.

D: The duty of the Grants Manager/ Director shall be to keep all grant documents and files of the organization properly prepared.

- 1.
5. Assist the Executive Director with correspondence and maintain a letters file.
6. Maintain all grant files, with copies of all correspondence, financial reconciliation and closeouts.
7. Other duties as assigned by Executive Director.

E: Other Duties of Directors:

1. Monthly review of financial reports and other program operations documents for operations.
2. Quarterly review of program expenditures for consistency with the budget(s) of the AVG organization's programs, administration and of the various grants and projects.
3. Quarterly review of revenues generated for budget comparison.
4. Fundraising, Public Relations and Marketing.
5. Must be willing to help when needed.
6. Development of long term and short-term plans for projects.
7. Completion and approval of the annual budget for presentation at the annual general meeting.
8. Maintain the recording in Quick Books Accounting software, all funds received and paid out with cost center accounting to identify funding sources for prevention of comingling of funds and over expenditures of grant awards.
9. Additional responsibilities of the BOD are provided in the financial controls section of this document.

Section 4. Meetings:

A: Annual meetings of the Alsea Valley Gleaners shall be held in January for the previous year.

Election of officers (even or odd year positions described above) shall be at this meeting.

1. The Executive Director shall present the annual report of activities, projects, and goals for the organization including the new year budget.
- 2: The treasurer shall present the financials and the fiscal status of the organization.
- 3: The fundraising sub-committee chairman shall present a report of fundraising activities.
- 4: The secretary shall present data on membership applications, new enrollments, terminations and projects for soliciting new members.
- 5: The coordinator shall present reports on program operations, and goals for the coming year.

B: Quarterly membership meetings shall be held IAW Bylaws.

1. Officers and board members will make presentations of AVG program operations, financial condition, membership enrollment activities and project(s) benchmarks completion.

C: The board shall meet once a month to make sure the affairs of the organization are being fulfilled.

D: Waiver of attendance at any of these meetings must be for a valid reason given to the to the board. Absentee shall provide Executive Director, in electronic format, all information, reports, schedules, etc. that are her/his responsibility no later than 48 hours prior to the meeting.

E: Special meeting may be held whenever called by the Executive Director, or a majority of the board with written or verbal notice to be given to all members at least four (3) days in advance of the time, place, and purpose of the meeting.

F: A meeting may be waived by majority of the board, with written or verbal notice to be given three (3) days in advance.

Section 5. Quorum: See Bylaws

ADMINISTRATIVE OPERATIONS

FINANCIAL CONTROLS POLICIES AND PROCEDURES

I. GENERAL PRACTICES

Segregation of Roles. There are several fiscal “roles” in our organization—custody, authorization, execution, and monitoring. For example, the person who has authority to sign checks is acting in the custodial role. The person who approves payment of a bill is authorizing. The Board as a whole acts in an authorizing role when it approves the annual budget or makes a decision to purchase a major item like a copier. The person who prepares the checks for signature by an authorized check signer is acting in the execution role, executing an action that has been authorized by the Board through the annual budget or by the individual responsible for approving payment of the bill. The person who reconciles the bank statement acts in the monitoring role. The Board also acts in a monitoring role when it reviews the monthly financial reports to be sure that its plan—the budget—is being executed properly.

As much as possible, the Board seeks to separate the responsibilities for fiscal roles so that at least two and preferably more individuals fulfill these roles. It is particularly important that the same person does not authorize, execute and monitor any transaction. At each step of handling funds, the organization shall ensure that more than one person verifies that the step is done correctly.

II. RECEIPT OF FUNDS

POLICY-

All funds, whether cash or check, which the organization receives will be deposited intact into the bank account, with no monies removed to make payments or for other purposes. All cash receipts should be deposited into the bank as soon as possible. This allows for a complete accounting and

independent verification of what happens to our funds. Communications from donors that establish restrictions on the use of their contributions will be saved. If we believe that a donor has restricted the use of funds in a conversation, we will follow up and get written confirmation of the donor's intent.

PROCEDURES-

1. *Receipt of Checks in the Office.* The Bookkeeper opens all mail addressed to the organization. The Bookkeeper makes a photocopy of all checks received and provides the photocopies to the Treasurer. This allows the Treasurer to verify that all checks received are deposited.

The Bookkeeper will endorse all checks by an endorsement stamp that provides that the check is "For Deposit Only" and will be paid to the order of the corporate bank and lists the organization's name and account number. This lessens the risk that a check may be stolen and cashed.

2. *Receipt of Cash in the Office.* Cash is easily stolen and must be handled carefully. If cash comes into the office, the person accepting the cash must provide a written receipt when taking the cash:

- The receipt should state the person's name, the date, the amount of the cash and the purpose of the payment.
- Use a pre-numbered receipt book with an automatic duplicate copy with the organization's name printed on it.
- No pages may be removed from the receipt book.
- The person with access to the receipt book shall keep it in a locked drawer and shall lock cash in a secured location until the Bookkeeper can retrieve it.
- If possible, when the Bookkeeper opens the location with the cash, one other person will accompany the Bookkeeper so that they can count the cash together.

The Bookkeeper or the Bookkeeper's designee shall train all office volunteers in these procedures.

The Treasurer will compare the receipt book and the bank's list of cash deposits when making the Bank Reconciliation described below.

3. *Deposit Slips.* The Bookkeeper will deposit corporate funds as follows:

- Prepare a deposit slip in duplicate.
- Photocopy the checks and staple the photocopies to the copy of the deposit ticket that we keep.
- If cash will be included in the deposit, the Bookkeeper will attach a list to the duplicate deposit ticket which includes the sources of the cash and the receipt #s in the duplicate receipt book for each source of cash.

- File this documentation chronologically in a locked cabinet to prevent theft.

The Treasurer will consult the deposit ticket and attached photocopies when making the Bank Reconciliation described below.

4. *Bank Deposit.* If no cash is present, the deposit may be mailed to the bank. If cash is present, a second person (if available) shall verify deposited funds prior to the Bookkeeper sealing the envelope and making the deposit in person. The person verifying the cash shall initial the cash on the copy of the deposit slip retained by the organization.

5. *Receipt of Checks and Cash Outside the Office.* If checks and/or cash come in outside the office (such as at a fundraising event), we need to take special precautions to protect these receipts from theft and to ensure that no one is falsely accused of stealing funds.

- Two people need to prepare the deposit slip for the funds in duplicate.
- Both must count the cash and initial the cash count on the copy of the duplicate deposit slip kept by the organization.
- If the individuals accepting the contributions at the event know the names of the individuals making gifts in cash, they will provide a receipt using the pre-numbered receipt book. If the funds are received through a “pass the hat” style collection in which it is not possible to know who gave what amount, the individuals accepting the contributions will note that no receipts were provided to donors on the duplicate deposit slip.
- It is not necessary to write out a receipt for contributions made by check unless the donor requests a receipt. However, the individuals accepting the contributions should make a list of all checks received at the event, including the name of the donor and the amount of the contribution. They will compare this list to the deposit to be sure all checks have been included in the deposit.
- If no cash is received at the event, the individuals accepting the contributions by check will give the Bookkeeper the list and the checks within 24 hours of the event.
- If there is cash in the deposit, one of the two individuals accepting contributions must

deposit the funds immediately. If checks will be deposited with the cash, the individuals accepting the checks should be sure that the list of checks they prepare includes the donor’s address as well as name.

- The duplicate receipt book and the list of checks received shall be given to the Bookkeeper who will send acknowledgement letters.

The Bookkeeper or the Bookkeeper’s designee shall train all volunteers in these procedures.

6. *Credit Card Contributions.* We do not accept contributions by credit card. If we decide to do that, we need to get accounting advice to make sure we have the proper controls in place.

7. *Acknowledging Donations.* While IRS rules require that we acknowledge all donations that

are more than \$75, our policy is to provide written acknowledgement for every gift we receive. The Bookkeeper shall respond to each donation with a letter thanking the donor for their generosity:

- If the gift was cash (which includes a check), the letter should include the amount of the gift and state that the gift was cash.
- If the gift was donated property of some kind, the Bookkeeper's letter does not need to and should not value the property. If the donor did receive something of value in return, the Bookkeeper's letter must contain a description of the donation and a good faith estimate of the value of what we gave back to the donor.
- The letter should include the statement: "Thank you for your contribution of \$_____, received on _____, 20 . [PICK ONE: "No goods or services were provided in exchange for your contribution" or "In exchange for your contribution, we gave you _____ whose fair market value was \$_____."")

In addition to thanking our donors and providing documentation the donor needs to deduct the contribution, the acknowledgment letter may alert donors whose amount is misstated to contact us to correct the error. Additionally, our records of the letters we send will help us keep an up-to-date record of how to contact all our donors.

III. DISBURSEMENT OF FUNDS/USE OF CORPORATE PROPERTY

A. PAYMENTS BY CHECK

POLICY-

Make all disbursements from the organization's funds by check, with the exception of petty cash. This allows us to track how our funds are spent, who is spending them and who is authorizing expenditures.

PROCEDURES

1. *Opening Bank Accounts.* Bank accounts may be opened only upon authorization by the Board of Directors.

- All bank accounts must be opened with the organization's employer identification number (EIN).
- The Board shall approve the authorized signers on the organization's bank accounts.
- Because of the Treasurer's role in reconciling the bank statement, the Treasurer cannot be a check signer.
- If possible, the Bookkeeper should not be a check signer because of his/her role in the

custody and preparation of the checks.

2. *Custody of Checks.* The Bookkeeper is the only person authorized to have access to unused check stock. The checks should be stored in a locked location and information about how to access them should be kept confidential from everyone but the President.

3. *Check Authorization.* All invoices will be forwarded immediately to the Treasurer for review and authorization to pay.

- The Treasurer will review all invoices for mathematical accuracy, agreement with a written invoice, conformity to budget or Board authorization and compliance with grant fund requirements.
- The Treasurer will ensure that all conditions and specifications on a contract or order have been satisfactorily fulfilled, including inventorying items received against packing slip counts.
- The Treasurer will code the invoice with the appropriate expense or chart of accounts line time number and other information as needed for accounting purposes.
- By approving an invoice, the Treasurer indicates that he/she has reviewed the invoice and authorizes a check.
- The Treasurer is responsible for timely follow-up on discrepancies and payment.

The Treasurer will send approved invoices to the Bookkeeper for payment.

4. *Expenses Not Invoiced.* In some cases, expenses may not be invoiced, such as rent. When such expenses are due, the Treasurer needs to ensure that the expense is in the budget and write a note authorizing payment of the expense and the amount of the expense and supply it to the Bookkeeper.

4. *Payment by Checks.* Upon approval of the invoice and note by the Treasurer, the Bookkeeper is authorized to prepare all checks and should do so.

- If a check is voided, the check will have "VOID" written in large letters in ink on the face and have the signature portion of the check torn out. Voided checks will be kept on file.
- In the event that it is necessary to issue a duplicate check for checks in an amount over \$50, the Bookkeeper will order a stop payment at the bank on the original check.

5. *Duties of Check Signers.* All checks will be signed by the signers designated by the Board of Directors. Prior to signing a check, a check signer will do the following:

- Compare the check to the original invoice or the Treasurer's note to pay the expense.
 - Compare the amount on the check to the amount on the invoice or note.
 - Be sure that the Treasurer has initialed the invoice. This is to protect against

the risk that you are paying based on a copy of the bill that has already been paid.

- Check the date on the invoice or the Treasurer's note against the date of signing the check. If the difference is more than 60 days, get written approval from the Treasurer before signing the check. This is to mitigate the risk that the organization is paying the same expense twice.

- Check to be sure that the amount of the check is not clearly unreasonable. For example,
a

\$30,000 monthly payment for bookkeeping services would be unreasonable for most small nonprofits.

6. *Prohibited Practices.* In no event will:

- invoices be paid unless approved by the Treasurer;
- blank checks be signed in advance;
- checks be made out to "cash," "bearer," etc.

Each check signer will be made aware that signing blank checks exposes our organization to theft since the bank is entitled to charge our account for any check that has a valid signature. A signed blank check is an invitation to theft.

7. *On-line Payments.* If we make online payments, we will make arrangements with the bank that allow the Treasurer to have online, read-only access to the account. We will also arrange with the bank to be sure that only the individuals the board has authorized as check signers will be permitted to authorize the payment of bills electronically. In addition to the monthly reconciliation, the Treasurer will periodically spot-check the account to compare the bank automatic payments with the vendor statements.

B. PETTY CASH FUNDS

POLICY- The Petty Cash Fund should only be used when payment by check is impracticable.

PROCEDURES-

Administration of Petty Cash Fund. The Bookkeeper is responsible for the administration of the Petty Cash Fund. The Fund shall be funded with checks made out to "Petty Cash—name of Bookkeeper" and initially recorded in the Petty Cash Fund account. The Bookkeeper will require receipts for all purchases and may ask those reimbursed to sign for money the Bookkeeper provides as reimbursement.

The Bookkeeper will record all cash purchases in a journal and save the receipts. When the fund gets low, the Bookkeeper will apply to the Treasurer for authorization to reimburse the fund for the total amount expended. The check written to reimburse the Petty Cash Fund will be recorded in the appropriate expense accounts for the items that were purchased with Petty Cash, so that

these expenditures made through the Petty Cash fund are properly classified by type – for example, postage, parking fees, etc.

C. EXPENSE REIMBURSEMENT

POLICY-

In proper circumstances, Board members, employees and volunteers are entitled to be reimbursed for expenses related to the organization that they incurred on behalf of the organization. To receive reimbursement, you must meet the following requirements:

- Your expense must have been authorized in advance by the Board or by the Bookkeeper or later approved by the Board or the Bookkeeper.
- Your expense must have been incurred for goods or services purchased for the organization.
- If your expense is for travel, the travel must be for work related to the organization. We will reimburse no more than the standard mileage rate for business use of a car as established by the IRS. The organization will reimburse meal expenses incurred in direct connection with the organization's business, or at the per diem rate established by the IRS.

PROCEDURES- To be reimbursed for expenses:

1. *Documentation.* You must provide reasonable documentation showing the date, amount and what the expense was for. Credit card receipts and store receipts that do not describe the purchase are not reasonable documentation. Your receipt must describe the purchase.
2. *Other Reimbursement.* Your voucher must reflect reimbursement from sources other than ours.
3. *Timely Submission.* You must submit your documentation with a request for payment within 60 days from the date the expense was incurred.
4. *Overpayment.* If we overpay you, you must return any excess reimbursement within a reasonable period of time.

D. PURCHASING

POLICY-

All purchases made on behalf of the organization must be made pursuant to the Board-approved budget or Board rules.

PROCEDURES-

The Treasurer can authorize purchases of \$_____ or less which conform to the Board's budget. The Board must approve purchases above that amount. The Board must authorize any purchase which does not conform to the Board's budget.

E. USE OF CORPORATE PROPERTY

POLICY-

Property and equipment owned by the corporation may only be used for corporate activities or activities approved by the corporation. They may not be used for personal purposes.

PROCEDURES-

If a Board member, officer, employee or volunteer wants to use corporate property or equipment for any purpose other than a corporate purpose, that individual must obtain permission from the Board of Directors.

IV. CREATION OF CORPORATE OBLIGATIONS

The corporation needs to ensure that any obligation undertaken in the corporate name is authorized by the corporation and is for a corporate and not a personal purpose.

A. CREDIT AND DEBIT CARDS

POLICY- The corporation will not authorize the use of debit cards for any purposes. The Board will determine whether there is a compelling need for the corporation to obtain one or more credit cards. If the Board determines that credit cards are needed, the Board will authorize specific individuals to utilize a corporate credit card. A corporate cardholder may use the credit card only for official purposes directly related to the needs of the organization. The cardholder may not use a corporate credit card for personal purposes, even if he or she plans to reimburse the organization.

The following purchases are **not** allowed on the corporate credit card:

- Personal purchases
- Cash advances or loans
- Payroll advances
- Purchased for other organizations
- Alcohol
- Personal entertainment
- Fuel for personal vehicles
- Purchases from a business you own or operate unless pre-approved by the Board
- Any item inconsistent with the mission and values of the organization

An individual purchase shall not exceed \$_____. Aggregate monthly purchases shall not exceed \$_____.

PROCEDURES

In order to use the card, the cardholder must follow these procedures:

1. *Cardholder Agreement.* Upon issuing a corporate card to a cardholder, the cardholder must sign a statement that the cardholder has read and understands this Credit Card policy and will reimburse the corporation for any personal charges on the card.
2. *Advance Approval.* The Board must give advance written approval to make a purchase whenever practical. The cardholder's purchase request should describe the purchase and cost.
3. *Original Receipts.* The cardholder must keep the original receipt that describes each purchase made on the card. The credit card receipt is not sufficient.
4. *Notification of use of the credit card:* The cardholder will email the Treasurer after each use of the corporate credit card noting the date, vendor, and amount of each charge made. This will allow the Treasurer to be aware of the cash that will be required to pay the credit card bill and alert the Treasurer to potential unnecessary use of the credit card.
5. *Expense Form.* Within 5 days after the end of the billing cycle, the cardholder must prepare and
sign an expense detail form and attach original receipts and a copy of the purchase request. In the case of meals, the statement must include the names of all persons at the meal and a brief description of the business purpose, in accordance with IRS regulations.
6. *Approval by Treasurer.* The cardholder must give the expense detail form to the Treasurer for approval. The Treasurer shall review each purchase to ensure that it was reasonable, necessary and the best value for the organization. The Treasurer will reconcile the expense detail form to the credit card billing statement, authorize payment and follow up on any inconsistencies.
7. *Notification of Loss/Theft.* The cardholder must notify the bank and the organization immediately in the event that the card is lost or stolen.

B. BORROWING AND LINES OF CREDIT

RISKS-

The organization needs to ensure that borrowing in the corporate name is authorized.

POLICY-

The Board must approve application for and acceptance of any Lines of Credit. Once the Line of Credit is authorized by the Board, the Treasurer can authorize borrowing within the limit of the line of credit up to \$__. The Board must approve all borrowing against the line of credit greater than that amount.

The full Board must approve any other borrowing of funds in the name of the corporation, including the use of any promissory notes. The Board must give very serious attention to be sure that the corporation will have sufficient funds available to repay any loans or lines of credit on time.

V. BANK RECONCILIATION AND ON-LINE MONITORING

POLICY

The Treasurer will monitor the corporation's accounts regularly and will prepare a written reconciliation of all bank or investment accounts which proves that the balances presented on our financial reports agree with the records of the financial institution.

PROCEDURES

1. *Records to Treasurer.* The Bookkeeper shall provide the Treasurer with a copy of all records of deposits, disbursements (checks written), and other bank transactions and of our accounting records for review.
2. *Bank Statement.* The corporation will direct the bank to send the bank statements to the Treasurer.
3. *Reconciliation.* The Treasurer will reconcile the bank statement monthly. The reconciliation should be done within 7 days of receiving the statement, as follows:
 - Check all checks for correct signatures and number of signatures and protest to the

bank any incorrect signatures.

- Review the checks in the bank records to ensure that:
 - the name of the payee, the amount of the check and the date of the check agree with the corporation's accounting records;
 - whoever the check was made out to was the depositor of the check; and
 - each check has a valid signature.
- Compare the bank deposit records with our accounting records to determine whether each deposit recorded in the accounting records agrees with the bank record.
- Check the cash entries in the receipt book against the bank record of deposits to ensure that all cash was deposited.
- Check whether the ending balance in the general ledger cash account agrees with the bank statement, after making the adjustments on the bank reconciliation form.
- List all outstanding checks. On all checks outstanding over 90 days, take appropriate action.
- List all deposits in accounting records not yet recorded by the bank.

If the reconciliation is done electronically, the Treasurer must check off on a form to be given to the Board that he or she performed the review above.

4. *On-Line Banking.* Both the Bookkeeper and Treasurer should have on-line, read-only access to the bank account. The Bookkeeper should use the on-line access to check his/her work. The Bookkeeper should review the account on-line on a weekly basis to check for identity theft that is diverting corporate funds. The Treasurer can reconcile the bank statements and spot-check the on-line payments as described above.
5. *Return of Cancelled Checks by the Bank.* The Board will determine whether it is necessary to direct the bank to return the cancelled checks with the bank statement. If the Board determines that it will not require return of the cancelled checks, it will establish procedures to ensure retention of the electronic images of the checks for at least 3 years.

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