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 Debit Card Policy

**GENERAL BANKING POLICIES**

The Board of Directors is responsible for authorizing all bank accounts and check signers.

Separate ledger accounts are to be maintained for any restricted funds if required by the funding source. (This can be incorporated into an account software program that identifies expenditures with in specific funding sources-“restricted fund accounting”.)

* Financial institutions where CASA accounts are maintained are to be notified of any changes in check-signers or any changes in dual signature requirements or limits.

Dual signatures are required for all checks. Acceptable signatures include any two of the following signatures: President, Vice President, Secretary, Treasurer, CASA Executive Director.

Financial reports shall be presented to the CASA Board of Directors for review at regularly scheduled board meetings.

An annual financial review or audit will be conducted by a qualified outside auditor, in compliance with TX CASA Standards for Grant Management. The results shall be reported to the entire board at the regularly scheduled Board meeting, immediately following the audit. Exceptions and extensions to the stated deadline are limited to those approved by the entire Board

In addition to these policies and procedures, any other applicable financial and administrative guidelines relating to specific grants shall be followed.

**CASH RECEIPTS:**

Employees or volunteers handling cash will have the necessary knowledge and skills to perform the job and will be carefully supervised.

Incoming checks must be restrictively endorsed when received with “for deposit only, CASA of Liberty/Chambers Counties” and include the account number. *Refer to “Checks Received Policy”*

Cash receipts over $100 must be deposited within 24 hours.

Incoming cash must be counted and receipts made by two or more persons authorized to perform these functions.

* Cash will be recorded in the Cash & Checks Receipts Log Book, kept by Executive Director or authorized personnel, who makes the deposit by the end of the week, or within 24-hours if the cash is over $100;
* Records of cash received must be totaled and initialed by authorized employees;
* A copy of the deposit slip will be made and filed in Monthly Receipts Log

Cash collection documentation totals must be compared to and reconciled with bank deposit receipts on a regular basis.

Bank deposit receipts must be compared and attached to copy of affiliated bank deposit slips.

Adequate physical controls must be maintained over cash receipts from the time of receipt to deposit in the bank.

Event oversight policies for financial control must be in place and approved by the finance committee 30 days prior to any event.

**CASH DISBURSEMENTS:** *(Also see Debit Card Policy)*

The Director must provide prior approval for all cash disbursements.

Payroll disbursements must be made by check.

Signature stamps (other than official bank endorsement stamp) may never be used to sign checks.

Supporting documentation must accompany checks when presented for signature.

Checks must be made payable to specific Payees, based upon appropriate supporting documentation, and never to cash or bearer.

Only pre-numbered checks shall be used and always in sequence.

Adequate controls will be maintained over blank check stock.

Prior to preparing checks, statements should be compared to vendor invoices for accuracy.

Checks must be prepared from vendor invoices only and not from a vendor statement.

All check numbers must be accounted for.

Any Voided/spoiled checks must be marked ”VOID,” mutilated with the signature portion removed, and retained in a secure place.

Only persons authorized to prepare checks may have access to blank checks.

Disbursements that require special approval of funding sources must be properly documented

* Employees must maintain and submit a detailed expense record, with supporting documentation, in order to be reimbursed for expenses.

Expense records must be reviewed and initialed for approval by the authorized individual prior to payment.

**RECONCILIATION:**

Bank accounts must be reconciled by the Treasurer (or accounting firm) on a monthly basis, and reviewed by the Director.

The Treasurer must receive the bank statements (with canceled checks, etc.) unopened, and date stamped, from the Executive Director.

Checks outstanding more than 90 days must be investigated, with payment stopped and an entry made restoring such items to cash if appropriate.

**INCOME & SUPPORT**

The Board of Directors must approve all fund-raising activities, including solicitation and acceptance of contributions, gifts and grants with related restrictions or requirements.

Staff must keep accurate and updated records of all donations, including the donor’s name, amount, date and any related restrictions or contributions.

The board and staff are responsible for assuring compliance with the terms and conditions of all grants and restricted contributions.

Any billing for third-party reimbursements must be approved by both the Director and Treasurer.

Receivables must be reconciled to the general ledger on a monthly basis.

**PURCHASING**

Purchases must be made in accordance with any requirements of particular grants or funding sources.

The Conflict of Interest Policy must be followed regarding purchase of goods or services from board members or other suppliers that may create a conflict of interest.

Purchases shall be made based upon maximum open and free competition, to obtain the best value in return for financial resources.

**PAYROLL**

Accurate time and attendance records must be maintained for all personnel.

All laws and regulations regarding over-time compensation must be followed for hourly employees

* Time/attendance records must be signed by the employee, as well as his/her supervisor.

Payroll costs must be distributed to the proper accounts, programs, or other functions.

W-2 wages for the year must be reconciled to the general ledger and 941 forms by the Treasurer or authorized personnel designated by the Board.

Payroll tax withholdings from employees must be forwarded to the appropriate IRS and state departments of revenue in accordance with all reporting requirements. (Board members can be held personally liable if Employee Withholding Tax is not paid.)

Copies of 941 quarterly reports are maintained with payroll records when complete.

**PROPERTY & EQUIPMENT**

The property and equipment must be adequately safeguarded against fire, loss, theft, physical deterioration or misuse.

A physical inventory of property and equipment must be taken and compared to inventory records on an annual basis, with immediate follow-up and explanation of any discrepancies.

All property and equipment additions or disposals in excess of $250 in value require prior board approval. Prior approval is not required for additions which are donated.

Periodic reviews shall occur relative to adjusting insurance coverage as needed.

Purchases and control of property and equipment must be in accordance with any requirements of particular grants or funding sources.

The Conflict of Interest Policy must be followed regarding purchase of property or equipment from board members or other suppliers that may create a conflict of interest.

Major equipment purchasing decisions will be based on careful board and staff review of need vs. current available resources.

Property and equipment purchases shall be made based upon maximum open and free competition, to obtain the best value for financial resources.

**INVESTMENTS:**

Authority for investments decisions rests with the Board of Directors.

All investments transactions must be reviewed and received prior approval from the Board of Directors.

The Board of Directors must ensure that investments are of the type permitted by funding sources and donors, and that investment income and gains are used only for purposes authorized by laws, donors or the governing board.

Securities must be adequately protected and held only in the name of the program.

Detailed investment records must be maintained that include the description of the investment, date of acquisition, purchase price, physical location, interest/dividend/income rates, accrual/receipt dates, ownership and any restrictions.

Record keeping functions for investment income must be performed by the Treasurer.

Investment earnings must be deposited to the proper bank account and accurately posted.

The board of Directors is responsible for ensuring compliance with any restrictions regarding investment income.

Investment reporting should be made in conjunction with financial reports when presented to the CASA Board of Directors for review at regularly scheduled board meetings.

S**TOCK DONATIONS**

Upon receipt of unrestricted donations of stock and other marketable securities (“securities”), the securities shall be liquidated on the first available business day following completion of transfer.

The Finance Committee shall be responsible for compliance with the donor’s restrictions upon receipt of restricted securities donations. Any restrictions shall be adhered to in the strictest interpretation.

**ACCOUNTING PROCEDURES CHECKLIST**

**DAILY/WEEKLY**

Make bank deposits when receipts total more than $100. All funds not deposited are to be kept in a locked file.

Record all checks as written in the manual check register or accounting software program.

Record all incoming funds into the log book and in the accounting software program the day they are received. Make copies of all checks for deposit receipt.

Record all grant/foundation funds into the accounting software program in appropriate account.

**Monthly/BI-Monthly**

Accounting firm / Treasurer / Executive Director enters invoices and statements in the accounting software program

Enter all manual checks as they are written

Accounting firm / Treasurer is to balance check book/bank reconciliation and review by the Executive Director and the Board will be at each regularly scheduled Board meeting.

Prepare and send monthly reimbursement requests to funders.

Prepare accounts payable invoices for Executive Director’s approval

Prepare checks for signature, have signed and then mail.

Accounting firm / Treasurer prepares payroll; post to payroll journal.

Prepare, have signed and forward employees’ annuity and retirement payments, if applicable.

Make monthly payroll tax deposit to IRS in EFTPS.

Balance Petty cash.

Prepare travel reimbursements for staff after approval of Executive Director.

Gather and file employees’ absence reports and time logs

* Review anticipated and actual expenses against approved budget

**QUARTERLY**

Accounting firm / Treasurer / Board Approved Designee to prepare and file quarterly form 941 for IRS, TEC report, and other taxing authorities in compliance with all reporting regulations.

**YEARLY**

At end of the calendar year, Accounting firm / Treasurer / Board Approved Designee is to prepare W-2, W-3, 1096 and 1099 forms and submit to the Executive Director and Treasurer for approval.

Before the end of the agency fiscal year, make arrangements for independent audit.

**APPENDIX**

**Conflict of Interest**

No member of the Board of Directors may participate in any decision-making process if:

* they or members of their immediate family, or an organization to which they belong, have a direct or indirect financial interest in the assets, leases, business transactions, or professional services of the program;
* They have an interest which might be seen as competing with the interests, concerns or services of the CASA program.