

## Financial Control Policies

**Policy 1.** Expenditures over \$5000 must have two signatures on every check, one of whom must be a Board Member with signatory authority on the account.

**Policy 2.** Approved signatories for all Community Foundation bank and financial accounts shall be as follows:

- Executive Director
- President, Board of Directors
- Secretary, Board of Directors
- Treasurer, Board of Directors
- Two Immediate Past-Presidents of Board of Directors

**Policy 3.** All check and cash disbursements must be accompanied by an invoice, approved Grant Recommendation form or other formal documentation showing that the payment is justified.

**Policy 3.** No blank checks shall be pre-signed.

**Policy 5.** Incoming checks shall be endorsed with the Community Foundation's bank information as soon as practicable after receipt.

**Policy 6.** For operational credit card expenses, other than the Executive Director, the person using the card shall not be the same person approving its use and accompanying charges. Credit card expenses over \$250 shall require pre-approval. The Executive Director shall review all credit card statements. A Board Officer shall review any credit card statements and/or accompanying expense reports of the Executive Director.

**Policy 7.** All cash sales or receipts shall be subject to internal review and verification by two individuals using inventory and other controls. Cash receipts shall be balanced on a daily basis.

**Policy 8.** Mail shall be collected from the mail box by two individuals. Both individuals shall be present as mail is opened. Incoming mail should be date stamped.

**Policy 9.** Bank, credit card, and any other reconciliation statements shall be reviewed by someone other than the individual(s) responsible for receiving, depositing, recording and reconciling the receipt of funds (money coming in) and the individual(s) responsible for authorizing payments, disbursing funds, and reconciling bank statements (money going out). Such reconciliation statements generally shall be reviewed monthly by the Executive Director, and following this review such reconciliation statements and review documents shall then be reviewed by the Treasurer on at least an annual basis.

**Policy 10.** All contracts for goods or services over \$5000 shall be subject to at least three bids, and approved by an Officer uninvolved in the transaction. Contracts over \$7500 shall be reviewed and voted on by the Board. Exceptions to this policy shall include the auditor and tax service professionals and investment advisors, whose terms shall be set by the Board.

**Policy 11.** All General Ledger entries, other than regular, recurring entries, shall have two individuals authorize them.

**Policy 12.** Payroll rolls and rates shall be reviewed by the Executive Director at least semi-annually. Payroll tax submissions shall be reviewed and checked by the Executive Director at least semi-annually.

**Policy 13.** All employees shall be subject to background checks as part of the hiring process. Key volunteers shall also be subject to such background checks as requested.

**Policy 14.** The Community Foundation shall adopt a formal whistle-blower program to insure that employees have a safe way to report suspected fraud, theft or mismanagement. This program should allow all employees the ability to contact a Board Member or Officer, who is expected to take such reports seriously, protect the reporting employee, and contact legal counsel.

**Policy 15.** The Community Foundation will contract for an annual audit performed by an independent public accountant. The audit shall be reviewed and accepted by the Board. The final audit will be made available to the public. The Board will make any necessary changes in operations based on the results of the annual audit.