

**MISSOURI OZARKS COMMUNITY  
ACTION, INC.**

**FISCAL POLICIES**

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## **INTRODUCTION**

The following accounting manual is intended to provide an overview of the accounting policies and procedures for Missouri Ozarks Community Action, Inc., which shall be referred to as “MOCA” or “the Organization” throughout this manual.

**MOCA** is incorporated in the state of Missouri. MOCA is exempt from federal income taxes under IRC Section 501(c)(3) as a nonprofit corporation.

This manual shall document the financial operations of the Organization. Its primary purpose is to formalize accounting policies and selected procedures for all staff who have a role in accounting processes and to document internal controls.

If a particular grant or award has provisions that are more restrictive than those in this manual, the more restrictive provisions will be followed only for that grant or award.

Accounting control comprises the organizational plan, procedures, and records that are concerned with safeguarding the assets and reliability of financial records. Internal accounting control includes policies, procedures, practices established by management to promote operational efficiency and economy, and the attainment of goals and objectives specified by the law or regulations that created the program. Other key elements of an accounting system are: books of original entry, supporting documents records, and procedures for the flow of information within the accounting system.

This manual is an official policy statement of MOCA's Board of Directors. Any changes in this policy will be issued to the management and staff in the form of a "Policy Change" adopted by the Board of Directors through established procedures. Any changes become a part of this manual.

It is the responsibility of the Executive Director to implement these policies and procedures through the staff. Administrative instructions will be issued by the Executive Director to the staff.

## **STANDARDS FOR FINANCIAL MANAGEMENT SYSTEMS**

In accordance with 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, MOCA maintains a financial management system that provides for the following. Specific procedures to carry out these standards are detailed in the appropriate sections of this manual.

1. Identification, in all its accounts, of all Federal awards received and expended and the Federal programs under which they were received.

2. Accurate, current, and complete disclosure of the financial results of each federally-sponsored project or program in accordance with the reporting requirements of 2 CFR Parts 200.327, Financial Reporting, and 200.328, Monitoring and Reporting Program Performance, and/or the award.
3. Records that adequately identify the source and application of funds for federally-funded activities. These records must contain information pertaining to federal awards, authorizations, obligations, unobligated balances, assets, expenditures, income, and interest and be fully supported by source documentation.
4. Effective control over and accountability for all funds, property, and other assets. MOCA must adequately safeguard all such assets and ensure they are used solely for authorized purposes.
5. Comparison of outlays with budget amounts for each award.
6. Information that relates financial data to performance accomplishments and demonstrates cost-effective practices as required by funding sources. (*2 CFR Part 301, Performance Measurement*)
7. Written procedures to minimize the time elapsing between the transfer of funds and disbursement by MOCA. Advance payments must be limited to the minimum amount needed and be timed to be in accordance with actual, immediate cash requirements. . *2 CFR Part 200.305 Payment*
8. Written procedures for determining the reasonableness, allocability, and allowability of costs in accordance with the provisions of the 2 CFR Part 200 Subpart E, Cost Principles, and the terms and conditions of the award.

## **BUSINESS CONDUCT**

### **Practice of Ethical Behavior**

MOCA requires board members, committee members, and employees to observe high standards of business and personal ethics in the conduct of their duties and responsibilities, and all directors, committee members, and employees to comply with all applicable laws and regulatory requirements. Unethical actions, or the appearance of unethical actions, are unacceptable under any conditions

Each employee must apply her or his own sense of personal ethics, which should extend beyond compliance with applicable laws and regulations in business situations, to govern behavior where no existing regulation provides a guideline. Each employee is responsible for applying common sense in business decisions where specific rules do not provide all the answers.

In determining compliance with this standard in specific situations, employees should ask themselves the following questions:

1. Is my action legal?
2. Is my action ethical?
3. Does my action comply with MOCA policy?
4. Am I sure my action does not appear inappropriate?
5. Am I sure that I would not be embarrassed or compromised if my action became known within the Organization or publicly?
6. Am I sure that my action meets my personal code of ethics and behavior?
7. Would I feel comfortable defending my actions on the 6 o'clock news?

Each employee should be able to answer "yes" to all of these questions before taking action.

Each director, manager, and supervisor is responsible for the ethical business behavior of her or his subordinates. Directors, managers, and supervisors must carefully weigh all courses of action suggested in ethical, as well as economic, terms and base their final decisions on the guidelines provided by this policy, as well as their personal sense of right and wrong.

### **Compliance with Laws, Regulations, and Organization Policies**

MOCA does not tolerate:

- The willful violation or circumvention of any federal, state, local, or foreign law by an employee during the course of that person's employment.
- The disregard or circumvention of MOCA policy or engagement in unscrupulous dealings.

Employees should not attempt to accomplish by indirect means, through agents or intermediaries, that which is directly forbidden.

The performance of all levels of employees will be measured against implementation of the provisions of these standards.

## **CONFLICTS OF INTEREST**

### **Introduction**

In the course of business, situations may arise in which an Organization decision maker has a conflict of interest, or in which the process of making a decision may create an appearance of a conflict of interest.

All directors and employees have an obligation to:

1. Avoid conflicts of interest, or the appearance of conflicts, between their personal interests and those of the Organization in dealing with outside entities or individuals,
2. Disclose real and apparent conflicts of interest to the Board of Directors, and
3. Refrain from participation in any decisions on matters that involve a real conflict of interest or the appearance of a conflict.

### **What Constitutes a Conflict of Interest**

All employees and directors of MOCA owe a duty of loyalty to the Organization. This duty necessitates that in serving the Organization they act solely in the interests of the Organization, not in their personal interests or in the interests of others.

The persons covered under this policy shall hereinafter be referred to as “interested persons.” Interested persons include all members of the Board of Directors and all employees, as well as persons with the following relationships to directors or employees:

1. Spouses or domestic partners
2. Brothers and sisters
3. Parents, children, grandchildren, and great-grandchildren
4. Spouses of individuals listed in 2 and 3
5. Corporations, partnerships, limited liability companies (LLCs), and other forms of businesses in which an employee or director, either individually or in combination with individuals listed in 1, 2, 3, or 4, collectively possess a [35%] or more ownership or beneficial interest

***Editor’s Note: The above list is not comprehensive. Other relationships such as close friendships may also cause a conflict of interest. Each situation must be evaluated for potential conflict.***

Conflicts of interest arise when the interests of an interested party may be seen as competing with those of the Organization. Conflicts of interest may be financial (where an interested party benefits financially directly or indirectly) or non-financial (e.g., seeking preferential treatment, using confidential information).

A conflict of interest arises when a director or employee involved in making a decision is in the position to benefit, directly or indirectly, from his or her dealings with the Organization or person conducting business with the Organization. (A potential conflict

of interest exists when the director or employee, or his or her immediate family {spouse, parent, child, brother, sister and spouse of parent, child, brother, or sister} owes/receives more than 1% of the benefiting business/profits.)

Examples of conflicts of interest include, but are not limited to, situations in which a director or employee:

1. Negotiates or approves a contract, purchase, or lease on behalf of the Organization and has a direct or indirect interest in, or receives personal benefit from, the entity or individual providing the goods or services.
2. Negotiates or approves a contract, sale, or lease on behalf of the Organization and has a direct or indirect interest in, or receives personal benefit from, the entity or individual receiving the goods or services.
3. Employs or approves the employment of, or supervises a person who is an immediate family member of the director or employee.
4. Sells products or services in competition with the Organization.
5. Uses the Organization's facilities, other assets, employees, or other resources for personal gain.
6. Receives a substantial gift from a vendor, if the director or employee is responsible for initiating or approving purchases from that vendor.

### **Honoraria Acceptance**

An MOCA employee shall not accept an honorarium for an activity conducted where agency-reimbursed travel, work time, or resources are used or where the activity can be construed as having a relationship to the employee's position with MOCA; such activity would be considered official duty on behalf of MOCA. A relationship exists between the activity and the employee's position with MOCA if the employee would not participate in the activity in the same manner or capacity if they did not hold their position with MOCA. The employee should make every attempt to avoid the appearance of impropriety.

An employee may receive an honorarium for activities performed during regular non-working hours or while on **annual leave** if the following conditions are met:

- All expenses are the total responsibility of the employee or the sponsor of the activity in which the employee is participating.
- The activity has no relationship to the employee's MOCA duties.

Nothing in this policy shall be interpreted as preventing the payment to MOCA by an outside source for actual expenses incurred by an employee in an activity, or the payment of a fee to MOCA (in lieu of an honorarium to the individual) for the services of the employee. Any such payments made to MOCA should be deposited to the MOCA



account and an appropriate entry should be made coded to the same program or department to which the employee's corresponding time was charged.

## **Disclosure Requirements**

A director or employee who believes that he or she may be perceived as having a conflict of interest in a discussion or decision must disclose that conflict to the group making the decision. Most concerns about conflicts of interest may be resolved and appropriately addressed through prompt and complete disclosure.

Therefore, MOCA requires the following:

1. At the inception of employment or volunteer service to the Organization, and on an annual basis thereafter, the accounting department shall distribute a list of all contractors with whom the Organization has transacted business at any time during the preceding year, along with a copy of the disclosure statement to all members of the Board of Directors, the Executive Director, members of senior management, and employees with purchasing and/or hiring responsibilities or authority. Using the prescribed form, these individuals shall inform, in writing and with a signature, the Executive Director and the chair of the Finance Committee, of all potential reportable conflicts.
2. During the year, these individuals shall submit a signed, updated disclosure form if any new potential conflict arises.
3. The Executive Director shall review all forms completed by employees, and the Finance Committee shall review all forms completed by directors and the Executive Director and determine appropriate resolution in accordance with the next section of this policy.
4. Prior to management, board, or committee action on a contract or transaction involving a conflict of interest, a staff, director, or committee member having a conflict of interest and who is in attendance at the meeting shall disclose all facts material to the conflict of interest. Such disclosure shall be reflected in the minutes of the meeting.
5. A staff, director, or committee member who plans not to attend a meeting at which he or she has a reason to believe that the management, board, or committee will act on a matter in which the person has a conflict of interest shall disclose to the chair of the meeting all facts material to the conflict of interest. The chair shall report the disclosure at the meeting and the disclosure shall be reflected in the minutes of the meeting.
6. A person who has a conflict of interest shall not participate in or be permitted to hear management's, the board's, or the committee's discussion of the matter

except to disclose material facts and to respond to questions. Such person shall not attempt to exert his or her personal influence with respect to the matter.

7. A person who has a conflict of interest with respect to a contract or transaction that will be voted on at a meeting shall not be counted in determining a quorum for purposes of the vote. The person having a conflict of interest may not vote on the contract or transaction and shall not be present in the meeting room when the vote is taken, unless the vote is by secret ballot. Such person's ineligibility to vote and abstention from voting shall be reflected in the minutes of the meeting. For purposes of this paragraph, a member of the Board of Directors of MOCA has a conflict of interest when he or she stands for election as an officer or for re-election as a member of the Board of Directors.
8. If required by Federal awarding agencies, MOCA will notify those agencies in writing of any *potential* conflict of interest. (2 CFR Part 200.112, *Conflict of interest*)

### **Disciplinary Action for Violations of This Policy**

Failure to comply with the standards contained in this policy will result in disciplinary action that may include termination, referral for criminal prosecution, and reimbursement to the Organization or to the government, for any loss or damage resulting from the violation. As with all matters involving disciplinary action, principles of fairness will apply. Any employee charged with a violation of this policy will be afforded an opportunity to explain her or his actions before disciplinary action is taken.

Disciplinary action will be taken:

1. Against any employee who authorizes or participates directly in actions that are a violation of this policy.
2. Against any employee who has deliberately failed to report a violation or deliberately withheld relevant and material information concerning a violation of this policy.
3. Against any director, manager, or supervisor who attempts to retaliate, directly or indirectly, or encourages others to do so, against any employee who reports a violation of this policy.

A Board member who violates this policy will be removed from the Board.

### **Avoiding Conflicts of Interest**

The services that are administered by MOCA are not intended to benefit either MOCA employees or members of the Board of Directors unless they are determined to be eligible as clients. Employees or board members may not use their positions within MOCA for their own personal gain. Members of MOCA who may have vested interests

in specific procurement practices or client eligibility determination will be removed from the process at the discretion of the Executive Director or Board Chairman. This policy, however, does not preclude one-time payments within the program year to members of MOCA that are for the direct benefit of eligible clients and where those payments do not conflict with provisions contained in corporate by-laws.

No employee, officer, or agent of MOCA shall participate in the selection, award, or administration of a contract if a real or apparent conflict of interest would be involved. Where a conflict of interest is determined to have taken place, employees are subject to disciplinary action as outlined in the personnel policies (Section V(B) General Employee Conduct). In addition, employees, officers, or agents may not accept gratuities, favors or gifts from contractors or potential contractors in excess of a nominal value of \$50. All such gifts should be reported to their supervisor.

**Funding source requirements will be observed for all conflict of interest practices where they are more stringent than MOCA's procedures.**

## **SECURITY**

### **Accounting Department**

A lock will be maintained on the door leading into the MOCA Accounting Department. This door shall be closed and locked in the evenings and whenever the Accounting Department is vacant. The key/combination to this lock will be provided to Accounting personnel and the Executive Director, and other personnel as approved by the Executive Director.

MOCA's blank check stock shall be stored in a locking room in the Accounting Departments storage area. This room will be locked with Accounting personnel and the Executive Director access.

### **Access to Electronically Stored Accounting Data**

MOCA utilizes passwords to restrict access to accounting software and data. Only duly authorized accounting personnel with data input responsibilities will be assigned passwords that allow access to the system. Information technology staff members are restricted from accessing accounting software.

Accounting personnel are expected to keep their passwords secret and to change their passwords on a regular basis. Administration of passwords shall be performed by a responsible individual independent of programming functions.

Each password enables a user to gain access to only those software and data files necessary for each employee's required duties. On an annual basis, MOCA performs a review of accounting software users to ensure they have the appropriate access levels. Unnecessary access will be rescinded.

## **Storage of Sensitive Data**

In addition to accounting and financial data stored in the Accounting Department, other sensitive data, including protected personally identifiable information (PII) such as social security numbers of employees and/or clients may be stored in areas other than the Accounting Department. Locations of sensitive data include, but are not limited to:

1. Other Organization departments such as Departments, Administration and etc.  
Electronic or on-line storage

The Organization's policy is to minimize the storage of sensitive data outside the Accounting Department by shredding documents with such data or deleting the sensitive data from documents that are stored outside the Accounting Department as soon as possible.

## **Destruction of Consumer Information**

As stated earlier, all sensitive data must be securely stored and shredded when no longer needed. MOCA will also shred all consumer information obtained by the Organization for any reason. Shredding will be performed on a schedule determined by each department that possesses such data.

## **General Office Security**

During normal business hours, all visitors are required to check in with the receptionist. After hours, a security key is required for access to the offices of MOCA. Keys are issued only to employees of MOCA.

## **Policy on Suspected Misconduct**

### **Introduction**

This policy communicates the actions to be taken for suspected misconduct committed, encountered, or observed by employees and volunteers.

Like all organizations, MOCA faces many risks associated with fraud, abuse, and other forms of misconduct. The impact of these acts, collectively referred to as misconduct throughout this policy, may include, but not be limited to:

- Financial losses and liabilities.
- Loss of current and future revenue and customers.
- Negative publicity and damage to the Organization's good public image.

- Loss of employees and difficulty in attracting new personnel.
- Deterioration of employee morale.
- Harm to relationships with clients, vendors, bankers, and subcontractors.
- Litigation and related costs of investigations, etc.

Our Organization is committed to establishing and maintaining a work environment of the highest ethical standards. Achievement of this goal requires the cooperation and assistance of every employee and volunteer at all levels of the Organization.

## **Definitions**

For purposes of this policy, misconduct includes, but is not limited to:

1. Actions that violate the Organization's Code of Conduct (and any underlying policies) or any of the accounting and financial policies included in this manual.
2. Fraud (see below).
3. Forgery or alteration of checks, bank drafts, documents or other records (including electronic records).
4. Destruction, alteration, mutilation, or concealment of any document or record with the intent to obstruct or influence an investigation, or potential investigation, carried out by a department or agency of the federal government or by the Organization in connection with this policy.
5. Disclosure to any external party of proprietary information or confidential personal information obtained in connection with employment with or service to the Organization.
6. Unauthorized personal or other inappropriate (non-business) use of equipment, assets, services, personnel, or other resources.
7. Acts that violate federal, state, or local laws or regulations.
8. Accepting or seeking anything of material value from contractors, vendors, or persons providing goods or services to MOCA. Exception: gifts of a greater value of \$51 or more.
9. Impropriety of the handling or reporting of money in financial transactions.
10. Failure to report known instances of misconduct in accordance with the reporting responsibilities described herein (including tolerance by supervisory employees of misconduct of subordinates).

Fraud is further defined to include, but not be limited to:

- Theft, embezzlement, or other misappropriation of assets (including assets of or intended for the Organization, as well as those of our clients, subcontractors,

vendors, contractors, suppliers, and others with whom the Organization has a business relationship).

- Intentional misstatements in the Organization's records, including intentional misstatements of accounting records or financial statements.
- Authorizing or receiving payment for goods not received or services not performed.
- Authorizing or receiving payments for hours not worked.
- Forgery or alteration of documents, including but not limited to checks, timesheets, contracts, purchase orders, receiving reports.

MOCA prohibits each of the preceding acts of misconduct on the part of employees, officers, executives, volunteers, and others responsible for carrying out the Organization's activities.

### **Misconduct Reporting Responsibilities**

All employees, officers, and volunteers are responsible for immediately reporting suspected misconduct to their supervisor, Finance Director or the Chair of the Finance Committee. When supervisors have received a report of suspected misconduct, they must immediately report such acts to their director, Finance Director or the Finance Committee.

### **PROCUREMENT POLICY STATEMENT**

Procurement actions shall follow a procedure to assure the avoidance of purchasing unnecessary or duplicative items. Where appropriate, an analysis shall be made of leased versus purchased alternatives to determine which would be most economical and practical.

All procurement transactions shall be conducted in a manner to provide, to the maximum extent practical, open and free competition. MOCA shall be alert to organizational conflicts of interest, as well as noncompetitive practices among contractors that may restrict or eliminate competition or otherwise restrain trade. Awards shall be made to the bidder whose offer is responsive to the solicitation and is most advantageous to the MOCA considering price, quality and other factors.

Solicitations shall clearly set forth:

\*all requirements that the goods and services based upon a clear and accurate description of the technical requirements for the material, product or service to be purchased.

\*factors used in evaluating bids/proposals

\*technical requirements and minimum acceptable characteristics or standards

\*specification of brand name equivalents, if available

\*preference for use metric measurements, all other factors being equal

\*preference for products that conserve energy or protect natural resources

Positive efforts will be made to utilize small business, minority-owned businesses, and women's business enterprises. Whenever possible, MOCA shall take all of the following steps to further this goal.

1. Ensure that small businesses, minority-owned businesses, and women's business enterprises are used to the fullest extent practicable.
2. Make information on forthcoming opportunities available and arrange time frames for purchases and contracts to encourage and facilitate participation by small businesses, minority-owned businesses, and women's business enterprises.
3. Consider in the contract process whether firms competing for larger contracts intend to subcontract with small businesses, minority-owned businesses, and women's business enterprises.
4. Encourage contracting with consortiums of small businesses, minority-owned businesses, and women's business enterprises when a contract is too large for one of these firms to handle individually.
5. Use the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Department of Commerce's Minority Business Development Agency in the solicitation and utilization of small businesses, minority-owned businesses, and women's business enterprises.

### **CONTRACT AUTHORITY**

Contracting authority and the responsibility for incurring obligations for the agency is ultimately vested with the Chairman of the Board of Directors. Unless otherwise specified in this document, most of this authority is delegated to the Executive Director. In any case, all contracts must be approved by the Executive Director. Program Directors may solicit requests for proposal for areas of their program that require contracted services or may further delegate such requests to their staff. With appropriate consultation and/or approval from the Executive Director, Program Directors may negotiate such contracts to the best interest of their program.

Contractor services are monitored by MOCA personnel at the work site, who are knowledgeable of the situation. Payment will be made when the statement is received and verification of the satisfactory completion of work is observed by the program director, or until MOCA staff has verified receipt of goods.

Purchase Requisition procedures may be found at attachment 1.

### **COMPANY CREDIT CARD**

Company Credit Card purchases are handled in much the same manner as other purchases. Purchase requisitions must be completed, approved, and signed by Program Director, Executive Director, and Finance Director. The approved purchase requisition is then given to the appropriate staff member to place the credit card order. All information received must be attached to the approved purchase requisition and is then returned to the Accounting Department. When the credit card bill arrives, the approved purchase requisitions are pulled and attached to the voucher for payment. This also applies to Hotel Arrangements.

If personal use is charged to the credit card, the amount would be withheld from that employee's next check. If we find that the Credit Card was misused, the employee is subject to termination, as referenced in Personnel Policy Manual.

## **PROCUREMENT POLICIES FOR BID REQUIREMENTS**

Solicitation for bids is required for each procurement over \$10,000.00 (unit cost) (2 CFR 200.320 Micro-purchase threshold), with the exception of regular ongoing program purchases where MOCA does not have the choice of vendor (i.e., rent, utilities, dental/medical services, and maintenance). Adequate documentation shall be provided by the person responsible for authorizing the requisition. All bids must be informal or formal. Informal bids are for any item ranging in price from \$10,000.00-14,999.99 and may be gathered by telephone calls, documenting date called, vendor and price, or by obtaining copies of commercial advertisements or similar documentation of price ranges. Formal Bids require written information and pricing from the vendor for any item of \$15,000.00 or more, with an attempt to get three. Recommended selection of vendor, if not based on the lowest price, shall be explained on the "Bid Control Sheet" form. Purchases of \$15,000.00 or more will be specified and reviewed in the same manner as described above. Any purchase of property in excess of \$15,000.00 or more must be approved by the Board of Directors. The approval from each funding source will be requested based on the funding sources threshold.

Before approving a purchase, the Program Director must determine and document that the request meets all the following criteria:

1. The expenditure is included in the approved budget
2. The expenditure is allowable under the grant terms and conditions
3. The expenditure is necessary to the program
4. Obtains written funding source approval of the expenditure

If a request does not fulfill all the above criteria, then it shall be denied.

The Executive Director will take bid analysis, recommendation, and written funding source approval to the Board of Directors for authorization prior to signing the purchase requisition. After the Board of Directors has approved, a letter will be sent to the funding source for approval to purchase.

Some form of cost or price analysis shall be made and documented in the procurement files in connection with the bid action. Price analysis may be accomplished in various ways, including the comparison of price quotations submitted, market prices, and similar characteristics, together with discounts. Cost analysis is the review and evaluation of each cost to determine reasonableness and allowability.

Procurement records and files for bid shall include the following at a minimum: (1) basis for contractor selection, (2) justification for lack of competition when competitive bids or offers are not obtained, and (3) basis for award cost.



Where equipment, materials, parts, and/or services are needed, bids will not be necessary if the health, welfare, safety, etc., of staff and protection of Organization property is involved. The reasons for such purchases will be documented in the procurement file.

Procurement for contracts shall be maintained to ensure contractor conformance with the terms, conditions, and specifications of the contract and to ensure adequate and timely follow-up of all purchases. Each Program Director shall evaluate contractor performance and document, as appropriate, whether contractors have met the terms, conditions, and specifications of the contract.

Note: Head Start – Equipment purchases costing \$5,000 or more per unit require approval from the Regional Office.

## **FUNDING SOURCE REQUIREMENTS**

Funding source requirements will be observed for all procurement practices where they are more stringent than MOCA's procedures.

## **PROCUREMENT POLICIES FOR PETTY CASH**

A petty cash fund is established under the control of the petty cash custodian and is used for making small cash expenditures, such as van cleaning, emergency bus repair, food for open house, and small amounts of supplies. The petty cash fund obviously offers less control over expenditures, but the Program Director will set a maximum amount allowed so that there will be little room for mistreatment of the petty cash fund. In no instance shall a petty cash fund exceed \$200 per month. Disbursements of up to \$35.00 (per invoice) can be made from the petty cash fund for miscellaneous petty items any item exceeding that amount must have prior approval from Program Director or Finance Director. Any expenditure over the maximum petty cash amount will be made through the purchase requisition and purchase order system.

The judgment of the person managing the petty cash and/or senior person at the location, if they are not the same, decides what is purchased with petty cash (If you are uncertain, call your program director.) The petty cash custodian should request replenishment monthly and this request needs to be in Accounting by the 10<sup>th</sup> of each month. The receipts or invoices and petty cash fund record of purchases must accompany the request for replenishment.

Petty cash is subject to audit at the discretion of Finance Director. Any irregularities in the petty cash fund will be immediately reported in writing to the Program Director, Finance Director and Executive Director. The report for expenditures and cash on hand is required by the 10<sup>th</sup> of the month.

Failure to follow these procedures is subject to disciplinary action and/or withholding of questionable petty cash amounts from custodian's paycheck.

## **PETTY CASH VOUCHER**

Each purchase with petty cash requires the completion of a petty cash voucher with an accompanying receipt or invoice. Receipt or invoices are required to be initialed by two staff members to ensure that all purchased items were received by the MOCA location for MOCA program use.

All purchases with petty cash require sequential list of purchases on the Petty Cash Fund Record of Purchases when requesting replenishment.

MOCA is exempt from sales tax. It is the responsibility of all staff to ensure that sales tax is not charged or paid.

Purchases shall not be made for employees. No other money will be co-mingled with the petty cash fund. No employee or other personal checks will be cashed or no loans or advances will be made with petty cash funds.

## **TRAVEL**

Reimbursable travel expenses are confined to those expenses essential to the transaction of official business. Travel expenses not conforming to these standards are disallowed.

### **IN AREA TRAVEL**

In-area travel includes travel within the eight (8) counties served by MOCA.

1. All in-area travel shall be reported on the in-area travel form.
2. Mileage to and from personal residence will not be reimbursed. Mileage will be reimbursed at the rate approved by the board if an employee is required to go to another location other than his/her normal work site. Mileage will be based from employee's home or their assigned worksite, whichever results in the lower number of miles to be reimbursed.
3. The cost of meals will not be reimbursed unless an employee is required to be away from home overnight or unless the meal is an integral part of a meeting function.
4. No advances shall be made for in area travel.

### **OUT OF AREA TRAVEL**

1. Travel shall be requested and approved in advance by completing a "Request and Authorization for travel" request form. Out of area travel shall be approved by appropriate Program Director and Executive Director.
2. An employee driving his own vehicle will be reimbursed at the rate approved by the board up to the amount that would have been incurred should the employee have travel by air, bus, or train, whichever is cheaper.
3. Travel to high rate geographical areas will be advanced and/or reimbursed based on published rates not to exceed the maximum established by federal regulations. All

travel to high rate geographical areas must be approved in advance by the Executive Director.

4. Meals and tips will be advanced using the current GSA per diem rates for Missouri and Out of State. The Per Diem rate will be divided as follows: (1/4) One quarter of the full day rate will be advanced for breakfast if necessary that you leave before 6:00 a.m., (1/4) one quarter for lunch if you leave before 12:00 noon and (1/2) one half for the evening meal if you arrive home after 6:00 p.m. or have prior approval to spend the night. Mileage will be advanced based upon a reasonable estimate provided by the employee and approved by the Program Director.
5. Mileage and attendance must be reported on the yellow copy of the Request/Authorization for Travel form by filling out the Out of Area Travel Voucher Form portion. Failure to verify attendance may result in the per diem advances being withheld from the paycheck.
6. Room arrangements are to be written up on a purchase requisition and to go through the same process as a purchase requisition but after approved it is given to Accounting for arrangements to be made. Accounting personnel will give arrangements to employee requesting and send the purchase requisition on for processing.

## **PERSONNEL AND PAYROLL**

Authorization for employment will originate with a Personnel/Payroll Action form. This form authorizes the addition of a new employee to the payroll and furnishes position, pay, and withholding information. The Personnel/Payroll Action form may also be used for any other change in status of an employee, raise in pay, change of position, or termination. The Personnel/Payroll Action form must be approved by the Executive Director.

MOCA is on a biweekly pay period with checks being issued on Friday. If the Friday falls on a holiday, the checks will go out the day prior to payday. Time sheets are due in the payroll department by 9:00 a.m. Monday morning, following the end of the pay period. Each employee's time sheet must be approved by the direct supervisor and the Program Director or appointed staff. Incomplete or unauthorized time sheets will be returned to the Program Director or direct supervisor. An incorrect or incomplete time sheet could cause a delay in the receipt of the employee paycheck.

## **PAYROLL DIRECT DEPOSIT**

All employees are required to receive payroll related payments via direct deposit. If a special circumstance arises and a payroll check needs to be issued Executive Director or Finance Director must approve.

It is the employee's responsibility to notify the Accounting Department there is any change to their bank account that affects their direct deposit by completing a new Direct Deposit Authorization Form. Additionally, it is the employee's responsibility to ensure that funds were posted via direct deposit prior to disbursing funds from their account.

Should an employee fail to notify the Accounting Department that a bank account was closed; MOCA will not issue a paper check until the funds are received from the banking institution.

MOCA is not liable for any non-returned funds that were held by the banking institution. If the funds are not returned by the banking institution due to charges owed by the employee, a paper check will not be issued.

Direct Deposit should normally be effective on the 1st payroll cycle (1st check) following the receipt of the Direct Deposit Authorization Form in the Accounting Department.

Note:

All newly hired employees or re-hired employees are required to participate in Direct Deposit must complete a Direct Deposit Authorization Form at the time of orientation as a condition of employment.

### **OVERTIME PAY**

Overtime pay will be approved in advance in writing by the Program Director that is in charge of the employee. Non-exempt employees will receive time and a half pay for work in excess of 40 hours per week.

### **DEDUCTION AUTHORIZATIONS**

Deductions to pay must be authorized by the employee in writing. For new hires, the personnel action form constitutes consent to the deductions explained at orientation. Other deductions, as they occur, must be on the appropriate form for that deduction, signed by the employee, or otherwise authorized in writing by the employee.

### **INSURANCE FOR LESS THAN FULL TIME/FULL YEAR EMPLOYEES**

Monthly insurance deductions for employees who are not full-time and/or full year will be calculated based on the hours and weeks shown on their most recent personnel action form. The amount of these payroll deductions will be calculated as the amount due per year divided by the number of pay periods for that employee. Summer Premiums for insurance may be deducted from January-May of a given year since our insurance renews in January you cannot prorate the whole year because no guarantee staff will return from summer layoff. If staff chooses for deductions not be taken out as above staff will have to pay full monthly insurance premiums by the 5<sup>th</sup> day of each month including June, July and August and, if Accounting does not get staff premiums, insurance coverage will be cancelled immediately.

## **PAYMENT FOR LEAVE BALANCE AT SEPARATION**

If it is determined an employee leaves in good standing an employee will receive payment for all unused annual leave. The amount to be paid will reflect the sum of sick leave negative leave balances applied to their annual leave. If this results in an overall negative leave balance, the result will be withheld from the final paycheck when possible. This payment will be made only after the employee has completed all exit items as outlined in the personnel manual. Personnel/Payroll Action forms must be sent to the Accounting Department for the employee to be paid. The Program Director and Executive Director shall authorize the leave balance payment.

## **LEAVE BALANCES FOR PART TIME EMPLOYEES**

Those employees who are subject to lay off for a portion of the year are responsible for monitoring their leave balances throughout the year. At the time of layoff, negative leave balances will be recaptured through payroll deductions, if necessary. Head Start personnel will be allowed to carry 8 hours of annual leave from May to August of each year.

## **EMERGENCY LEAVE DONATIONS BETWEEN EMPLOYEES**

At the discretion of the Executive Director, those employees whose personal situations demand leave in excess of what they have earned may request annual leave donations from fellow employees. Those employees who voluntarily agree to donate annual leave to another employee must sign a declaration to that effect and copies will be kept on file in accounting. In no case shall donated leave exceed the donor's leave accrual for a six month period.

## **CASH DISBURSEMENTS**

The cash disbursement process is a continuation of the procurement process or of any process involving the disbursement of cash. Standards that must be adhered to in dealing with cash include:

1. All employees handling cash shall be bonded in an amount consistent with access to cash
2. All cash and checks must be deposited in a bank with FDIC insurance coverage.
  2. Functions and responsibilities must be separated adequately to safeguard MOCA's assets.

## **SEGREGATION OF DUTIES**

<b>FUNCTION</b>	<b>RESPONSIBILITY</b>
Initiation of Function (Procurement, etc.)	Program Director
Approval of action taken by Program Director and approval of cash disbursement	Executive Director
Verification to support disbursement of cash	Accounting Department
Cash disbursement authorization	Finance Director

## **CASH DISBURSEMENT PROCESS**

No check will be prepared without a written requisition or voucher in advance. Each requisition or voucher must contain adequate documentation to support the disbursement of cash.

Checks will be prepared from an invoice (prefer original invoice). For disbursements that do not require an invoice, reference to a lease agreement or executed contract will serve as the basis for preparation of check.

All checks are to be computer written. The personnel assigned responsibility for the check signing shall be non-accounting staff and be approved by the Board of Directors.

To ensure that bills are paid in a timely manner, vouchers, purchase orders and out of area travels received by noon of each Friday will be paid by the following Friday. It is the responsibility of the Accounting department to verify cash requirements.

Check disbursements will be on pre-printed, pre-numbered checks. Blank checks are in the control of and secured by the Finance Director. Voided checks will be properly mutilated by writing VOID on the face of the check and perforating or removing the signature lines. Voided checks are retained for subsequent inspection. PHA Section 8 checks are blank check stock and use of the Lindsey software to print all aspects of the checks. Blank check stock is in the control of and secured by the Finance Director.

The signing of checks in advance is prohibited.

For those disbursed checks that have not cleared within 90 days, a stop payment request shall be issued to the bank. For the Section 8 program the vendors are contacted when the stop payment request is processed.

Electronic payments, ACH, Bank Drafts, Online Payments, Credit Card Payments, etc. must go through the same approval process as check payments. Vouchers for electronic payments contain additional information referring to the alternate payment method and requires two check signers to authorize the payment. Finance Director is responsible for setting up payments via electronic communication and registering MOCA with user name and passwords. Accounting staff is responsible for completing the electronic payment once approval authorization is obtained. All email notifications of payments made are sent directly to a separate email account set up and monitored by an Accounting staff. Accounting staff prints out payment confirmations and attaches to vouchers with approval and back up of expenses.

MOCA's Fiscal Year ends January 31. The Fiscal Year cutoff for processing payments due prior to that date will be paid until a date determined by Finance Director in February due to time constraints with reporting and auditing schedules.

### **CASH FLOW MANAGEMENT**

The Finance Director and Accounting personnel monitors cash flow needs on a weekly basis to eliminate idle funds and to ensure that payment obligations can be met. Cash transfers between accounts are performed on an as-needed basis.

Missouri Ozarks Community Action, Inc. (MOCA) adheres to the requirements of its grants which may prohibit loaning funds between programs (for example, Head Start), therefore, cash management and reporting is performed at the program level as well as for the Organization as a whole.

If account balance(s) in any particular financial institution exceeds the dollar amount federally-insured(FDIC) threshold, Finance Director will request collateral security from the financial institution for the amount on deposit in excess of the threshold.

### **STALE CHECKS**

Missouri Ozarks Community Action, Inc. (MOCA) will write off checks of \$1,000 or less that are more than 6 months old that have not cleared the Organization's bank. For uncashed checks that are more than 6 months old and that exceed \$1,000, contact will be made with the payee to resolve the issue.

All stale checks that are written off within the same fiscal year as they were written shall be credited to the same expense or asset account that was debited when the check was written, or the expenditure incurred. For stale checks written off in fiscal years subsequent to the year in which the check was written, the credit shall be to miscellaneous income.

Missouri Ozarks Community Action, Inc. (MOCA) will also comply with the Missouri State laws regarding unclaimed property.

### **WIRE TRANSFERS**

The Finance Director and Accounting department personnel shall be the only Missouri Ozarks Community Action, Inc. (MOCA) employees authorized to transact wire transfers from Missouri Ozarks Community Action, Inc. (MOCA) bank accounts. Confirmations of all wire transfers are delivered to the Accounting department.

### **CASH**

All receipts will be recorded immediately by the person receiving them. Checks are recorded as to amount and source and electronically deposited daily. Cash donations will be recorded by a signed receipt returned to the donor and a copy forwarded to Accounting.

All receipts received before 2:00 p.m. will be deposited the same day, receipts received after 2:00 p.m. will be deposited the next working day.

The Accounting department copies the deposit paperwork and any other supporting documentation is added to the cash receipts book and general ledger.

### **GRANT APPLICATION POLICIES**

MOCA is primarily funded by either grant or purchase of service contracts. Prior to the beginning of each program year, a formal application must be made. Applications include the requirements for the receipt of money, both fiscal and performance. Some applications require the submission of a budget. MOCA's policy is to prepare a budget per these policies whether or not such is required by a funding source.

The process of preparing a grant application will be assigned by the executive director.

All grant applications:

1. Follow the instructions from the funding source



2. Define performance indicators
3. Identify reports required by funding source
4. Identify reports necessary for adequate internal tracking of progress
5. Budget, the cost to produce the activity required to accomplish goals.

The assigned staff person forwards the above to the Finance Director. The Finance Director reviews for financial compliance, accuracy, and financial reporting requirements.

The Finance Director forwards the above to the Executive Director for review of administrative compliance, budget accuracy and adequacy, consistency with MOCA's mission, possibility of successful implementation of grant. Continuation grants may be authorized by the Executive Director. New applications will be reviewed by the Executive Director against the criteria defined in this section as well as the funding source requirements. New project proposals must be authorized by the Board of Directors either prior to submitting application or prior to accepting a contract award.

Approved grant awards or contracts are accepted by the Executive Director and copy is forwarded to both the Finance Director and Program Director.

The Finance Director establishes the necessary accounting records including account codes, report preparation, schedule, etc., to financial compliance provisions of the grant and the corporation.

The Program Director establishes the necessary program records to assure compliance with standards and achievement of goals.

An initial meeting is held by the Executive Director after grant/contract acceptance, including the finance director, program director and appropriate staff to assure that plans and procedures are adequate to meet the fiscal and program compliance needs of the grant/contract.

Program and Administration budgets for the coming fiscal year will be prepared and submitted to the Finance Committee for their review in preparation for full Board approval. Non-significant changes to the budget are submitted to the Finance Director by the Program Director as budget line items are needed. Non-significant changes noted by Finance Director based on actual experience are communicated to the Program Director as soon as they are noted. Significant budget changes as determined by the Executive Director may not be made without board authorization. Where the funding source requires approval of budget either by program goals or amount, a budget amendment request will be prepared. When approved at the appropriate level per the Executive Director's signature, appropriate journal entries will be initiated by the Finance Director.

## **BOOKS OF ORIGINAL ENTRY AND FINANCIAL REPORTS**

The objective of MOCA's accounting system is to provide financial information on an accurate, timely basis. The flow of transactions and financial results of operations to those entrusted with the responsibility of managing the grants must account for all funds received and expended. Financial reports will make full disclosure to the Program Director, Executive Director, Board of Directors and Head Start Policy Council of the information.

Full disclosure includes the following:

1. **Completeness and Clarity:** All essential financial facts relating to the scope and purpose of each report and the period of time involved will be included and clearly displayed.
2. All financial data presented will be accurate, reliable, and truthful.
3. **Accounting Support:** Financial statements and reports will be based on official records maintained under GAAP (General Acceptable Accounting Practice) that produces information objectively, disclosing the financial aspects of all events or transactions taking place. Financial statement content will be traceable directly to the accounting records.
4. All amounts of cost applicable to an activity or program for which a statement of operations being presented will be included.
5. **Extent of detail:** The amount of detailed information presented will be sufficient to provide a clear and complete report.
6. **Consistency:** The financial data reported shall be derived from accounts that are maintained on a consistent basis from period to period.
7. **Terminology:** Consistent and non-technical terminology shall be used in financial statements and reports to promote clarity and usefulness at all levels of management review.
8. Other as required by the executive director or board of directors.

The accounting system is composed of books of original entry and their supporting logs, documents, and procedures. The books of original entry consist of general ledgers, cash receipts and disbursements journals, and voucher payable journals. In order for the accounting system to generate, information must be adequately safeguarded through limited access to documents, logs, journals, and ledgers by assignment of responsibility for maintenance of logs,

journals and ledgers and by proper implementation and consistent use of established procedures that control how the accounting system operates.

## **FINANCIAL REPORTING TO FUNDING SOURCE**

MOCA shall adhere to funding source requirements for reporting the status of funds for all projects or programs.

Each awarding agency shall determine the frequency of the financial status report for each project or program.

The funding source reports that the Finance Director or Accounting Clerk completes must be reviewed by the Finance Director or the Executive Director for accuracy. If the report requires the Executive Director's approval, the report is taken to the Executive Director for approval, and then the reports are submitted to the funding source. The report with backup documentation is then sent to the Program Director and the Executive Director. After reports are done, the requested amounts are put in Accounts Receivable, and the Accounting Clerk reconciling Cash also reconciles Accounts Receivable monthly.

The current frequency of MOCA reports is shown in Attachment 3.

## **PROPERTY AND EQUIPMENT RECORD SYSTEM**

The property and equipment record system deal specifically with the safeguarding of property and equipment. A high degree of importance is placed on the proper utilization of property and equipment as stated in the following federal standards 2 CFR Part 200.313

1. There shall be established a control system to insure adequate safeguards to prevent loss, damage, or theft of property and equipment.
2. There shall be established adequate maintenance procedures to keep the property and equipment in good condition.
3. Disposition of non-expendable property shall be handled in accordance with the specific requirements of the funding source from which funds were obtained to make the initial purchase.

The Board of Directors have adopted the above federal standards for use by this corporation and have established additional standards and policies as described below.

A property log shall be established and will contain sufficient detail so as to identify the following: (2 CFR part 200.313(d)(1))

1. Description of property and proper classification between expendable and non-expendable.
2. Legal title holder (MOCA)
3. Location, identification number and manufacture's serial number (if known).
4. Estimated useful life
5. Source of the funds used to purchase the equipment, including the award number (FAIN), if applicable
6. Cost per unit
7. Date of purchase
8. Person responsible for safeguarding item of non-expendable equipment
9. Depreciation method
10. Information to calculate the federal share of the cost of the equipment, if applicable
11. Record of transfers or disposition and sale price

A physical inventory of equipment shall be taken and the results reconciled with the equipment records at least once every two years. The physical inventory shall be conducted by staff assigned by the Finance Director and/or Executive Director. A listing of all non-expendable will be prepared from observation, and shall be reconciled with the property ledger.

Any differences between quantities determined by the physical inspection and those shown in the accounting records shall be investigated to determine the causes of the difference. MOCA shall, in connection with the inventory, verify the existence, current utilization, and continued need for the equipment.

For Accounting department uses, non-expendable personal property having a useful life of more than two years and an acquisition cost or, if donated, a fair market value of \$5,000 or more is booked in the agency balance sheet. All fixed assets are shown at cost and are not depreciated, unless required by the funding sources.

The purchase, control, and disposition of property shall be the responsibility of Program Directors. As stated in the section relating to procurements, any purchase of property in excess of \$15,000.00 must be approved in advance by the Board of Directors, must be necessary to completion of the program.

If the total cost of leasing equipment over a three-year period exceeds the initial cost of the property, then the corporation shall purchase the property.

In order to adequately safeguard property, control must be vested in an individual or in individuals. By placing property in the control of the Program Directors, personal responsibility for the adequate maintenance and for accountability of the physical presence of the property is fixed.

Upon authorized acquisition of equipment, the Program Director shall complete the information as stated above to add to the property ledger. In order to be

relieved of control over and responsibility for the property, the Program Director shall complete an approved form for the transfer or disposition of the property.

Disposition of property shall be in accordance with federal standards and funding source requirements. The approved form for transfers or disposition of property shall be used to adjust the property ledger accordingly.

### **INKIND**

All contributions, including cash and third party in-kind, shall be accepted as part of the cost sharing or matching when contributions meet all of the following criteria.

1. Are verifiable from the recipient's records.
2. Are not included as contributions for any other federally assisted project or program.
3. Are necessary and reasonable for proper and efficient accomplishment of project or program objectives.
4. Are allowable under the applicable cost principles.
5. Are not paid by the federal government under another award, except where authorized by federal statute to be used for cost sharing or matching
6. Are provided for in the approved budget when required by the federal awarding agency.
7. Donations are subject to audit for reasonableness and allowability, either internally or by contracted independent auditors.

### **RETENTION AND ACCESS REQUIREMENTS FOR RECORDS**

This section sets forth requirements for record retention and access to records for MOCA. Financial records, supporting documents, statistical records, and all other records pertinent to an award shall be retained for a period of three years from the date of submission of the final expenditure report or, for awards that are renewed quarterly or annually, for the date of the submission of the quarterly or annual financial report, as authorized by the awarding agency.

The only exceptions are following:

1. If any litigation, claim, or audit is started before the expiration of the 3-year period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved and final action taken.
2. Records for real property and equipment acquired with federal funds shall be retained for 3 years after final disposition.
3. Indirect cost rate proposals.
  - If submitted for negotiation to the federal awarding agency or the sub recipient submits to the recipient the proposal, plan, or other computation to

form the basis for negotiation or the rate, then the 3-year retention period for its supporting records starts on the date of such submission.

- If not submitted for negotiation. If the recipient is not required to submit to the federal awarding agency or the sub recipient is not required to submit to the recipient the proposal, plan, or other computation for negotiation purposes, then the 3-year retention period for the proposal, plan, or other computation and its supporting records starts at the end of the fiscal year (or other accounting period) covered by the proposal, plan, or other computation.

## **BANK RECONCILIATIONS**

Bank account statements are received each month and forwarded to the Finance Director. The Finance Director shall review its contents for unusual or unexplained items. (The review must be performed in a timely manner so that reconciliation of the bank account is not delayed.)

After this review is complete, the entire bank statement is forwarded to the Accounting Clerk who prepares reconciliation between the bank balance and general ledger balance. The bank reconciliation process will be completed within one month of receipt of each bank statement.

All bank reconciliations, including any adjusting journal entries resulting from preparing bank reconciliations, are reviewed and approved by the Finance Director on a monthly basis.

Bank reconciliations and copies of resulting journal entries are filed in the current year's accounting files.

## **PROCUREMENT PROCESS (NON-BID)**

The procurement of goods or services involves three major phases: requisitioning, ordering and receiving. Requisitioning of goods or services involve completing a purchase requisition form and approval by the program manager. Before approving a requisition, the program manager must determine if the request meets all the following criteria:

1. The expenditure is included in the approved budget
2. The expenditure is allowable under the grant terms and conditions
3. The expenditure is necessary to the program

If a request does not fulfill all the above criteria, then it shall be denied.

Requests for payment for goods or services must be received by the Fiscal department noon on Friday of each week in order to be processed and paid by Friday of the next week.

If a requisition is incomplete, is not signed by the Program Director, or does not contain a bid form or quote form with appropriate supporting data, it will be returned to the Program Director with an informal explanation.

Field staff are encouraged to buy from local vendors, if practical, to maintain good relations within the community.

Emergency purchases are those transactions required to obtain equipment, supply, food, or material essential for continuation of program, the preservation of life or property. In this instance, approval must be given by the program director or department head with final approval received by the agency executive director before purchase. An emergency purchase order number must be obtained by contacting the Finance Director before purchase.

The following listing indicates examples of type of items, services or agreements that require purchase requisition form:

- Equipment maintenance agreements
- Equipment repairs
- Consultant services
- Subscriptions to periodicals
- Travel costs (Airline & Hotels)
- Vehicle license renewals
- Office and program supplies
- Equipment purchases
- Dues
- Meeting registration fees
- Facility maintenance costs

## **Examples of exclusions**

- Direct services to program participants
- Telephone services
- Utility costs
- Rent
- Legal services (When at the discretion of the Executive director)
- Food Bills for Head Start

## **REQUISITIONING**

1. When a program needs goods, materials, or other services, it must initiate a request by means of purchase requisition form. This form, after approved by program director, is forwarded to the finance department for approval and processing. The form furnishes information as to the quantity, material description, catalog or stock number, price, general ledger code (only one general ledger number per form), the date by which purchase order is needed, minimum of 4 days should be shown, and purpose for the purchase.
2. Requisition for purchase of goods or services must be received by the Fiscal department on noon Friday of each week in order to be processed by Friday of the next week all purchase requisition forms submitted must be neat and legible. Requester should use caution to assure that the heading and body portions of the purchase requisition form have been accurately completed. The employee originating the order should sign on the line provided for "requested by" and forwarded to their program director for approval.
3. Finance Director will validate fund availability according to budget documents and convert purchase requisition to purchase order with assignment of a purchase order number and return to appropriate department.

## **ORDERING**

1. The three-part purchase order form becomes valid upon assignment of a number and returned to the requester.
2. Distribution of the purchase order copies as follows:
  - a. Original (white) to vendor. This authorizes the purchase transaction.
  - b. White stub is retained by the Accounting Department to be filed for source document.
  - c. Triplicate (yellow) is returned to requester and is used to check against the order when it arrives. Any shortages, overages or back orders should be noted on this document. All receiving documents and packing slips should be attached to this (yellow) copy, signed



(yellow), dated and sent to Accounting for payment. Invoices should always be attached to the front of yellow copy. Invoices usually come to the Accounting department.

## **RECEIVING**

1. Incoming materials are received and checked for number of items and price by the purchaser. Quantities received and date should be noted on the yellow copy of the purchase order. When a partial shipment is received, the purchase order is held in suspense until the balance of the order is received or subsequently canceled. Accounting must be notified in writing when a back order has been canceled or adjustment is expected on a purchase order. (I.e., part of the merchandise has been returned for credit.) These notes should be on the triplicate (yellow) copy of Purchase Order.
2. All invoices or receipts must be signed by purchasing personnel and forwarded to Accounting for payment. All invoices or receipts must have the agency's purchase order number.
3. Accounting will insure that these will be expeditiously handled in order to take advantage of vendor discounts and avoid late fees.

## **ATTACHMENT 2 - PAYROLL PROCEDURES**

To pay by every other Friday, it is imperative that time sheets arrive in the Richland office by Monday morning of the pay week. It is the employee's responsibility to be sure their time sheet is ready to be processed when it arrives at the Richland office.

1. All time must be coded to a specific program/func.
2. All time sheets must be signed by the employee and immediate supervisor.
3. All sick/leave requests must be attached with the time sheet and signed by the employee and immediate supervisor.

If you wish to pick up the check on the scheduled pay day, you may pick up the check at the Richland Office between 2:00 p.m. to 3:30 p.m. when the following guidelines are met:

1. When you submit your time sheet, write on the lower right corner of the time sheet you want to pick it up.
2. Do not charge MOCA time and mileage for your trip.
3. If your time sheet says that you will pick up your check and you do not come, it will be posted with the outgoing mail at 3:30.
4. A phone call is never sufficient to release your check to anyone else. If you authorize someone else to pick up your check, they must have your written and signed authorization, either on your time sheet per item 1 above, or they must bring such authorization with them.

**ATTACHMENT 3 - FINANCIAL/PROGRAMMATIC REPORTING FREQUENCY**

<u>PROGRAM/GRANT</u>	<u>DUE DATE</u>	<u>RESPONSIBILITY</u>
LIHEAP	15 <sup>TH</sup> OF MONTH	ACCOUNTING
HUD VMS	22 <sup>ND</sup> OF MONTH	HUD/ACCOUNTING
WEATHERIZATION PROGRAMS	10 <sup>TH</sup> OF MONTH	ACCOUNTING
CACFP	10 <sup>TH</sup> OF MONTH	HEAD START
CSBG	10 <sup>TH</sup> OF MONTH	ACCOUNTING
HEAD START SF-425	DEPENDS ON	ACCOUNTING
SEMI ANNUAL	FUNDING SOURCE	
ANNUAL		
FINAL		
HEAD START	YEARLY	HEAD START/
PROPERTY INVENTORY		ACCOUNTING
CSBG- ANNUAL REPORT	ANNUALLY	CSBG/ACCOUNTING
HUD REACT/BALANCE SHEET	WITHIN 60 DAYS FYE	HUD/ACCOUNTING

Financial/Programmatic Reporting Frequency will be updated as reports change (due dates, new reports etc.) without the Fiscal Policy having to be approved. There will be footnote added for updated and the date (Updated 07-26-2023).