

**The Workforce Connection, Inc.**

**Policy Title: Fiscal**

**Reference Number: 2016-100-06**

**Approved: 8/2012**

**Effective: 8/2012**

**Status: Active**

**Modifications: 05/12/17 Name Change**

**Purpose:** This policy should be adopted by the board and staff clearly stating The Workforce Connection's expectations for transparency and accountability for all finance-related functions.

**References:** None

**Background:** The policy and procedural guidelines are designed to protect the assets of the organization; ensure the maintenance of accurate records of TWC's financial activities; provide a framework for decision making; establish operating standards and behavioral expectations; serve as a training resource for staff; and ensure compliance with federal, state and local legal and reporting requirements.

**Responsible Party:** The Workforce Connection Board of Directors, the Executive Director and all staff members with a role in the management of TWC's fiscal operations.

**Definitions:**

**Policy:** This manual has been prepared to document the internal accounting procedures for The Workforce Connection (TWC). Its purpose is to ensure that assets are safeguarded, that financial statements are in conformity with generally accepted accounting principles, and that finances are managed with responsible stewardship.

All personnel with a role in the management of TWC's fiscal operations are expected to uphold the policies in this manual. It is the intention of TWC that this accounting manual serve as our commitment to proper, accurate financial management and reporting.

**Procedures:**

**General Accounting**

- Lines of authority are identified on the organization's organizational chart and will be followed by all employees.
- Current job descriptions, including duties and responsibilities, will be maintained for all employees and reviewed annually by the Executive Director.
- To ensure all funds are protected from mishandling and to help promote a system of checks and balances, financial duties and responsibilities will be specifically separated to ensure that no one employee has sole control over cash receipts, disbursements, etc.
- All forms will be completed in ink.
- As checks are issued, the paid voucher and supporting documentation are filed in the appropriate files.
- All costs will be posted to a General Ledger.
- All checks must have a voucher prepared prior to payment that includes an explanation of the cost, classification, and supporting documentation validating the cost. All vouchers will be approved by the Executive Director.

**Cash Receipts and Deposits**

- Checks and Cash received:
  - Checks and cash received will be received first by the Board Assistant, logged into the receipts book, and given to the Executive Director. The Executive Director will prepare and make the bank deposit. The bank receipt and copy of the receipts book will be compared and reconciled monthly.

**Cash Disbursements**

- All signed and approved invoices will be posted to the General Ledger.
- Checks will be written and distributed to the appropriate check signatories for review and signature.
- Signed checks will be mailed to the appropriate recipients. A copy of the check voucher will be attached to the documentation as proof of payment and filed appropriately.
- Voided checks will have “VOID” boldly written in ink across the face of the check and the signature portion will be removed. The voided checks are filed with other canceled checks in a separate file.
- In no event will checks be:
  - Prepared unless these procedures are followed.
  - Used other than in chronological order.
  - Prepared or signed in advance.
  - Made out to “cash” or “bearer”.
  - Prepared on verbal authorization.

**Debit Card**

- Only the Executive Director has signature authority on the debit card.
- A Purchase Requisition will be completed for all debit card purchases.
- Only items within the approved budget can be purchased with the debit card.
- These procedures will be followed and confirmed for all debit card purchases.
- All debit card purchases must be business related. Under no circumstances can the debit card be used for personal purchases.

**Bank Reconciliations**

- The general banking account will be received by the Board Assistant.
- The Board Assistant will initial and date the bank statement for verification of receipt.
- Canceled checks will be examined for date, name, cancellation, and endorsements.
- The bank statement will be given to the Grant Development Manager who will prepare the bank reconciliation.
- The reconciliation will be done monthly.
- It will be reconciled to the Cash Journal and compared to the General Ledger to ensure all are in balance.
- The Executive Director and the WIB Secretary/Treasurer will also review and initial approval of the reconciliation report.
- Lost or stolen checks –

- Upon receiving notification that a check has been stolen or lost, an immediate stop payment order is transmitted to the bank providing the check number, date, amount and payee.
- When the stop payment form is received from the bank, a voucher is prepared to account for the transaction.
- If, or when, a check is reissued, a voucher is prepared stating the nature of the check.

**Signature Authority**

- Checks written for less than \$1500 will require only one signature, while checks for more than \$1500 will require two signatures.
- The Executive Director will be the main signer, with a Board member additionally signing those checks more than \$1500.
- In the absence of the Executive Director, the Public Relations/ Grant Development Manager can be an authorized signer.

**Unrestricted funds**

- Any expenditure of unrestricted funds exceeding \$1000 will require the approval of the Finance Committee.

**Purchasing**

- Purchase Orders
  - Special Purchase Requisitions will be prepared by an authorized staff member and approved by the Executive Director. The Executive Director will determine appropriateness of expenditure and availability of funds.
  - All purchases will be in accordance with the Board's procurement policy.
  - Purchase orders will be signed by the Board Assistant and approved by the Executive Director.
- Receipt of Purchased Items
  - The Board Assistant will be the authorized receiving agent.
  - The following procedures will be followed:
    - a. Ensure all items have been received and sign the packing slip;
    - b. Ensure all items are in "good" order; and
    - c. Upon receipt of the invoice, compare the packing slip and purchase order to the invoice.
    - d. Process for payment.

**Travel**

All travel will be paid / reimbursed in accordance with the Workforce Investment Board Travel Policy.

**Property**

- Equipment is defined as items with a unit cost of \$300 or more and with a useful life of more than one year.
- Records will be maintained in accordance with 29 CFR 95.34.
- Equipment will be tagged and tracked.
- A physical inventory of equipment will be conducted annually.

**Financial Reporting**

- Reports will be provided to the Finance Committee and the Workforce Investment Board at least quarterly.
- Debit card transactions will be reported monthly.

**Audit Procedures**

(To be developed at the time revenue exceeds the minimum threshold of \$50,000 and an audit is required.)

**Action Required:** This information should be disseminated to TWC Board members and staff.

**Inquiries:** Questions regarding any aspect of this policy should be directed to The Workforce Connection Executive Director.

**Effective Date:** August 2012