



## RMHC-EIWI Policy

**Title: General Controls**

**Number: FIN-1010**

Revisions/Reviews/Approvals: Updated 4.28.23 SG

### POLICY

The purpose of this policy is to establish financial management practices that:

- Protect the assets of the organization
- Ensure the maintenance of accurate records of the organization's financial activities
- Provide a framework of the organization's financial decision making
- Establish operating standard and behavioral expectations.

The following procedures are systematically used to prevent misuse and misappropriation of assets and business practices that serve as checks and balances on staff and board members to reduce the risk of misappropriation of funds/assets.

### PROCEDURE

#### 1. Review and Approval

##### **Bank and Investment Statements**

Upon receipt of monthly bank and investment statements, the Chief Executive Officer and Chief Operating Officer of the RMHC-EIWI will review, initial, and date each document. Statements are stored by month and kept in a locked cabinet.

##### **Invoices**

Upon receipt of all invoices, two Officers of RMHC-EIWI will review, initial, and date each invoice before sending to the organization's third-party bookkeeper for payment.

##### **Checks**

All checks require two signatures. Authorized signors include the Chief Executive Officer, Chief Operating Officer, Chief Development Officer, and a member of the Board Finance Committee.

#### 2. Credit Card Usage and Spending Limits

RMHC-EIWI business credit card accounts are issued to full-time staff only, and only on an as needed basis. Positions whose regular duties do not require purchasing will not be issued a card. Limits are based on the job function and corresponding purchasing needs. The Chief Executive Officer may reduce limits as deemed appropriate. The Finance Committee's approval is required to increase existing limits of any cardholder. The Chief Executive Officer is authorized to cancel and request new cards when need arrives with employee turnover.

### **3. Credit Cards and Expense Reimbursements**

#### **Credit Card Statements**

Approvals of employee credit card statements should always flow upward in the chain of command. The Chief Executive Officer's credit card statements will be reviewed by the Board Chair, the Chief Operating Officer and Development Director's credit card statements will be reviewed by the Chief Executive Officer and the remaining RMHC-EIWI Staff members' credit card statements will be reviewed by their respective department Director. Receipts are required for all expenditures.

#### **Expense Reimbursements**

Approvals of employee expense reimbursements should always flow upward in the chain of command. The Chief Executive Officer's expense reimbursements will be reviewed by the Board Chair, the Chief Operating Officer and Development Director's expense reimbursements will be reviewed by the Chief Executive Officer and the remaining RMHC-EIWI Staff members' expense reimbursements will be reviewed by their respective department Director. Mileage is reimbursed at the current year's IRS rate. Other expenses require receipt documentation.

### **4. Spending Authorization**

The Chief Executive Officer is authorized to expend up to \$5000.00 without formal approval of the Board of Directors. Such expenditures must be in line with the organization's strategic plan and approved budget. Expenditures over \$5000.00 will be presented to the Executive Committee and/or Board of Directors.

### **5. Payroll**

#### **Making Changes to Payroll**

When updating the third-party accountant regarding changes in payroll both the Chief Executive Officer and the department Director will be included in the communication. Changes to the Chief Executive Officer's compensation will be authorized in writing by the Board Chair.

### **6. Investment Policy**

RMHC-EIWI maintains an investment policy which is reviewed annually by the Board of Directors. Any changes are approved by the Finance Committee and presented to the full Board for a vote.

### **7. Operational Cash Flow Policy**

RMHC-EIWI maintains an operational cash flow policy which is reviewed annually by the Board of Directors. Any changes are approved by the Finance Committee and presented to the full Board for a vote.

### **8. Capitalization Policy**

Additions of \$5000 or more are capitalized, while maintenance and repairs that do not improve or extend the useful life of the assets are expensed as incurred.

### **9. Segregation of Duties**

#### **Check and Cash Receiving**

All mail is opened by the Chief Executive Officer. Donations received are given to the Executive Assistant who prepares the deposit slip. The Development department reviews and approves the deposit slip and corresponding documents. The deposit is then entered into Quickbooks by the third-party bookkeeper and into Donor Perfect by the Executive Assistant.