

NEVADA OUTDOOR SCHOOL

Financial Policy & Procedure Manual

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1. Goals and Purposes

This fiscal manual has been developed to provide an overview of financial management policies and procedures of Nevada Outdoor School. It is intended as a guide to establish and maintain fiscally sound practices and pertains particularly to those portions of Institute programming that operate in compliance with federal and state statutes, regulations, provisions and policies.

2. Allocable Cost

Cost is allocable to any NOS grant (either as a program cost or an administrative cost) if it is:

- Incurred specifically for the granting program or
- Benefits both the granting program and other work, but can be distributed fairly between the grant and another funding source,
- Necessary to the overall operation and administration of the program
- See NOS Cost Allocation Procedures for further clarification

3. Allowable Costs

A cost is considered allowable under the grant if it is:

- Reasonable
- Budgeted for under the grant
- Complies with generally accepted accounting principles
- Complies with OMB cost principles and 2 CFR 200 requirements and principles
- Not charged against any other grant
- Treated consistently with other costs incurred by the organization
- Documented

4. Insurance

Nevada Outdoor School shall have and maintain sufficient liability insurance to protect the organization, employees, volunteers and board of directors. In addition, Nevada Outdoor School shall have and maintain equivalent insurance coverage for real property and equipment acquired with Federal funds, as well as for all property owned by Nevada Outdoor School.

Insurance will be reviewed annually by the Executive Director, Board of Directors and a competent and licensed insurance agent.

5. Property and Inventory

Any acquisition of property or contract for services with value greater than \$2,500 must be accompanied by a minimum of three bids which will be filed and maintained for audit purposes. All purchases of equipment are considered fixed assets and inventory records will be maintained. Physical inventory of property, plant and equipment will be taken every two years on July 15th and an updated listing maintained. Disposition of equipment purchased with Federal monies shall be administered in accordance with 2 CFR 200.313 and Section XVI of the Sub-Grant Agreement.

6. Debit/Credit Cards

Nevada Outdoor School maintains debit cards for purchase of supplies and services necessary to the organizations programs and mission. The cards are held by the Director of Finance and have a maximum allowable of \$500, per day unless a higher amount is specifically approved by the Executive Director. If the Director of Finance is absent for any extended period of time the Executive Director will have access to the cards which are in a locked file cabinet that both the Director of Finance and Executive Director have keys to. When a card is given out, it must be noted on the NOS credit-card debit-card check in out form. Receipts must accompany each charge. Any employee who uses a card must review and sign the debit card receipt, write which program the charge was for and turn it in that same day to the Director of Finance or Executive Director. The Director of Finance or accounting assistant must follow the authorization of expenditure procedures. The Director of Finance will check the bank account at least twice per week for any discrepancies and to keep accurate control of deposits and charges. A line of credit may be opened with the banking institution for emergency expenses and is to be used by the Executive Director only for said emergency. Receipts must accompany each charge, signed by ED and turned into the Director of Finance within 2 days. The Director of Finance or accounting assistant must follow the authorization for expenditure procedures when recording these charges. There are also five gas cards held by the Director of Finance, one each for the 2017 Ford F150 truck, the 2006 Ford Passenger Van, the 2011 Dodge truck, 2009 Ford Edge and the ATV, each to solely be used for said vehicle. The Elko Director of Programming holds the gas cards for the 2003 Ford Expedition and the 2004 Ford F150 truck. Receipts must be signed by the individual obtaining the fuel and turned in upon return to the office.

7. Sources of Revenue

Revenues for Nevada Outdoor School come from the following sources:

1. Contracts and grants - Nevada Outdoor School, under authority of the Executive Director and Board of Directors when applicable, may negotiate and consummate agreements for services with agencies, federal, state and local government, and private grantors.
2. Fees for programs, conferences and other training or events.
3. Interest - Cash assets of Nevada Outdoor School shall be placed in financial institutions in accounts protected by federal deposit insurance and should generate as high a rate of interest as possible given these requirements. Advanced federal funds, if any, will be maintained in interest bearing accounts unless (1) the Nevada Outdoor School receives less than \$120,000 in Federal awards per year; (2) the best reasonably available interest bearing account would not be expected to earn interest in excess of \$250 per year on Federal cash balances or (3) the depository would require an average or minimum balance so high that it would not be feasible within the expected Federal and non Federal cash resources.
4. Tax-exempt donations of cash and material goods will be accepted by Nevada Outdoor School for its general operations, unless the donor requests a specified program area.
5. Any contribution used for cost sharing AmeriCorps State or matching will be verifiable in records, will not be included for any other federal-assisted program, will be necessary and reasonable for the accomplishment of program objectives, are provided for in the approved budget with the Corporation and will conform to all applicable OMB provisions and 2 CFR 200 principles.

8. Chart of Accounts

A comprehensive Chart of Accounts is maintained and updated as needed by the Accountant or Director of Finance in consultation with the Executive Director.

Board members, staff and the general public may request a copy at any time. The accounting system conforms to Generally Accepted Accounting Principles (GAAP)

Nevada Outdoor School accounts for each award/grant separately (separate general ledger accounts for federal, state or private funds), and records in-kind contributions as both revenues and expenses in the general ledger. The General Ledger forms the basis for preparation of all financial reports. Expenditures of grant funds are recorded in categories which parallel the grant award. All general ledger account entries are supported by subsidiary records and the original source documentation.

9. Design and Method of Accounting System

Nevada Outdoor School uses a modified accrual basis of accounting. Revenues are recognized either when they are received or when collection of the amounts can be reasonably estimated to be received in the near future. Expenses are generally recognized in the period in which goods and services are received or a liability is incurred. To assure adequate internal controls, the Executive Director or their assistant opens all mail and receives cash and checks, stamp with banking stamp and makes a list of cash and checks received to be reconciled with deposits. The Director then forwards to the Accountant or Director of Finance, who prepares a listing of any cash or checks received upon receipt, and prepares bank deposits and/or deposit instructions. All incoming invoices & expenses must be initialed by Executive Director as approval for payment.

Financial reports such as monthly Income vs Expenses, Actual vs Budget, quarterly updates to fiscal year budget must be initialed & approved by Executive Director before filed. Draw downs or reimbursement requests must be initialed and approved by Executive Director.

10. Revenues, Deposits, & Transfers

1. All checks received by Nevada Outdoor School shall be restrictively endorsed upon receipt by the Executive Director. This endorsement, encoded on a stamp, shall read "For Deposit Only, Nevada Outdoor School" with the bank account number and name of the bank.
2. The Executive Director shall be responsible for the cash management of Federal Funds through timely payments and reporting. All fiscal reports are prepared by the Director of Finance and approved by the Executive Director.
3. Cash receipts may be kept on hand to a maximum of \$100, for expenses which can only be paid in cash. All cash in excess of this limit must be deposited intact.
4. All monetary receipts shall be deposited within (5) five days.
5. Fund transfers between bank accounts are authorized to allow the expense payments and to allow the benefit of earning the maximum interest available. Transfers must be authorized by the Executive Director.
6. All deposits shall be fully insured.
7. The following persons are authorized to complete electronic grant draws:
 - Executive Director
 - Director of Finance
 - Treasurer of Nevada Outdoor School, in the event of the unavailability of the Executive Director.

11. Audit and Audit Review

1. An annual audit of the financial operations of Nevada Outdoor School shall be performed by an independent public accountant at the end of each fiscal year **when expenditures meet federal requirements for such an audit.**
2. Included in the audit shall be a statement of financial position and an income/loss statement and a management letter.
3. The fiscal year of the Nevada Outdoor School shall end on September 30th.
Audit is due to the Board of Directors within 120 days.
4. Monthly income and expenditure Reports are due on the 25th of each month. These forms will be reviewed by the Executive Director and Board of Directors when applicable for accuracy and approval.

12. Accounts Payable

1. It shall be the policy of Nevada Outdoor School to process invoices at a minimum on the 15th and the 30th of the month. Due dates will be closely monitored in order to insure prompt payment. Checks will be cut and mailed at a minimum on the 15th and the 30th of each month. Invoices received will be categorized, allocated and prepared for payment by the Director of Finance. The Executive Director reviews these invoices at the time of receipt for approval with a signature or initials. A schedule of draw downs and payments for each month will be prepared by the Director of Finance and reviewed monthly by the Executive Director.
2. Copies of the invoice must be attached to any check copies. Invoices are stamped with the payment allocation stamp detailing the date of posting to the general ledger, the account to be charged and the program (class) that will be charged. This must be initialed by the individual approving the allocation and payment. The invoice will then be filed alphabetically according to vendor. Payment detail will be put in the corresponding FY grant binder and filed under its appropriate grant.
3. No checks may be made payable to Cash. A withdrawal for making change at fundraisers may be made by the Executive Director. Receipts must be turned in to the Director of Finance that same day.

13. Check Writing Authority

1. The Nevada Outdoor School authorizes the Executive Director, one other staff member as approved by board, Board Treasurer and a second board member as assigned by the Board to sign checks on the Nevada Outdoor School accounts. All checks over \$2,500.00 must have two authorized signatures except for payments to the IRS.
2. Signing of blank checks is prohibited.
3. All voided checks shall be clearly marked as void and retained. All unused checks are safeguarded in a locking file cabinet.

14. Payroll Procedures

1. NOS has enrolled in ACH and Direct Deposit Services in order to directly deposit payroll and other monies owed to employees and volunteers into their personal bank accounts.
2. Employees or volunteers who wish to be paid by direct deposit must maintain an eligible deposit account and register this account with the Director of Finance.
3. The Executive Director or the Board Treasurer will have the authority to approve payroll for deposit after it has been initiated by the Director of Finance. The Director of Finance will not have online permissions to release the deposits.

4. Employees and volunteers have the option to receive pay and stipends either through direct deposit or traditional check.
5. All employees and AmeriCorps National Service members are paid semi-monthly. Salary changes are submitted to the Director of Finance after being approved by the Executive Director. The Board of Directors reviews these annually.
6. The NOS Director of Finance shall prepare the payroll, living stipend, per diem and expense reimbursement checks.
7. The Director of Finance shall ensure that all individual pay records are up to date and current. W-4's & I-9's with supporting documents are on file for each employee.
8. Approved payroll deductions include:
 - a) Federal income tax
 - b) Social Security/Medicare tax
 - c) Health Insurance
 - d) Garnishments and tax liens as ordered
 - e) Retirement
 - f) Personal telephone charges
 - g) Personal usage of debit card

15. Tax Deposits and Reports

1. The Director of Finance shall prepare all State and Federal Tax Reports. The Director of Finance shall prepare the check/automatic transfer for the tax deposits with each payroll period.
2. Tax returns:
 - a) Each Pay Period: Federal Tax Deposits/Electronic Fund Transfers are filed electronically through the EFTPS system within two business days of the pay date.
 - b) Quarterly: Federal tax withheld form 941, state and federal unemployment reports.
 - c) Annually: Calendar year - Federal forms W-2/W3, 1099/1096
 - d) Fiscal Year - Income tax returns, Form 990

All of the above reports, except the Form 990, are prepared by the Director of Finance, with copies provided to both the Board and Executive Director of Nevada Outdoor School. Form 990 is prepared by an independent accounting firm with assistance from the Director of Finance.

16. Bank Reconciliation and Bank Accounts

The Director of Finance together with the Executive Director shall review, on line, the bank account at least once a week. The bank account will be reconciled monthly, no later than the 10th of the following month submitted to the ED who reviews the expenditures for initial and filed with the banking records. Debit card reconciliation is also done with the bank statement by the 10th of each month, listing the programs or grants each charge was for, the date and amount, and description of goods or services received, making sure that all receipts have been collected and authorized for payment.

A checking account has been established with US Bank, Winnemucca, Nevada. The Executive Director, with the written approval of the Nevada Outdoor School Treasurer, may open other accounts or change financial institutions as the need arises.

17. Financial Reports

The Director of Finance will be responsible for preparing regular reports, including:

1. Monthly statement of income and expense.
2. Monthly comparison of grant expenditures against grant budgets.
3. All reports will be prepared by the 25th of the following month and be reviewed by the Executive Director monthly.
4. Nevada Outdoor School board members will receive copies of financial reports monthly and reviewed at the board meetings or at any time, as appropriate.
5. Nevada Outdoor School board members will review financial reports on a quarterly basis at the minimum and more often as requested.
6. Nevada Outdoor School will use these quarterly reports in the development of the subsequent annual budget. The Executive Director, in consultation with the Director of Finance, will make budgetary recommendations to the Nevada Outdoor School Board at the regularly scheduled annual meeting in October of each year. The Board of Directors will then make budgetary approval recommendation to the Nevada Outdoor School.

18. Authorization for Expenditure

All purchases must be approved in advance by providing the Executive Director needed items above and beyond normal monthly expenses by the 25th of each month. This information will be compiled into a monthly expenditure report and will be approved or denied by the Executive Director. This includes items from local businesses with charge accounts. Any urgent needs or unforeseen supplies requiring funds must be approved prior to purchase. At no point will purchases be allowed with NOS funds or with personal funds under expectation of reimbursement without following this process. All purchasing and procurements will follow all requirements from 2 CFR 200.317-326.

19. Program Development and Training Travel Regulations

1. All approved travel must be accompanied by a trip report documenting the reasons and/or results of the trip. All receipts must be signed by the traveler and turned in to the Executive Director who will sign those receipts which constitutes approval for payment then forwarded to the Director of Finance who will allocate those costs to the specific program or grant benefited.
2. Travel will comply with the Nevada Outdoor School's written travel policies, found in the Personnel procedures.

20. Absence of Director of Finance

In the absence of the Director of Finance the Executive Director or an appointee of the Executive Director shall acquire the duties of the Director of Finance and shall write checks for payroll, pay bills and follow the above procedures. During this time the Executive Director's or appointee's rights to sign checks shall be temporarily revoked.

21. Investments

In the interest of creating a strong and sustainable organization, Nevada Outdoor School will seek opportunities to invest funds as designated by certain donors, or undesignated funds not required for immediate cash flow or

liabilities. Nevada Outdoor School will only invest in short-term, (less than 18 months), federally-insured accounts, such as bank CDs or bonds. Any investment will require approval by the Board of Directors.