

# **Corvallis Sustainability Coalition Financial Policies and Procedures**

## **Purpose**

The purpose of financial management in the operation of all Corvallis Sustainability Coalition (Coalition) activities is to fulfill the organization's mission in the most effective and efficient manner and to remain accountable to stakeholders, including partners, funders, employees, and the community. In order to accomplish this, the Coalition commits to provide accurate and complete financial data for internal and external use by the volunteers and the Steering Committee (SC).

## **General Policies and Authority**

1. The Steering Committee is ultimately responsible for the overall financial management of all Coalition activities.
2. The Finance Committee is responsible for the day-to-day financial tracking and reporting of the organization. The Treasurer is the Chair of the Finance Committee.
3. The Treasurer is authorized to represent the SC on financial matters when action is required in advance of a meeting of the Finance Committee or the SC.
4. The Treasurer is authorized to write checks and pay bills on behalf of the Coalition, to prepare reports for the SC and Coalition partners, and, establish bank accounts. The Treasurer or designee shall receive and deposit funds
5. The bookkeeper shall prepare financial statements, reconcile bank account and maintain the financial records of the organization.
6. Checking account control:
  - checks shall not be made payable to the same person signing the check
  - the monthly reconciliation of the checking account will be performed by someone other than those who write and sign checks
7. The Coalition will not maintain petty cash
8. The Facilitator or the Treasurer is authorized to expend Coalition unrestricted funds up to the limit of \$500.00 without prior authorization by the Finance Committee provided the funds have been budgeted.
9. The Treasurer or the Facilitator is authorized to sign checks up to \$500. Checks for amounts greater than \$500 shall require the signature or approval of both the Treasurer and the Facilitator.
10. The Facilitator shall consult with the Treasurer before submitting a grant application.

11. The Finance Committee will review grant applications prior to submission. Grant applications over \$1,000 require approval of the Steering Committee.
12. The Facilitator in consultation with the Treasurer and Finance Committee is authorized to sign grant agreements.
13. The Facilitator in consultation with the Treasurer and Finance Committee is authorized to enter into contracts for activities that have been approved by the SC. The SC must authorize any contracts outside of the parameters set forth in 9 above and all contracts with a financial value greater than \$2,000. The Facilitator shall sign the contract.
14. The SC must approve any Coalition contractual commitment for bank loans, corporate credit cards, or for real estate lease or purchase.
15. The SC must approve any expenditure of, or transfer to the operating budget of any funds which have been designated as Coalition reserve/contingency funds.
16. No advances of funds to employees, officers or directors are authorized. Direct and necessary expenses for previously approved Coalition projects, activities or responsibilities shall be reimbursed.
17. The Coalition shall not borrow funds from any employee, officer, or director of the organization.
18. The Treasurer is authorized to manage expenses within the parameters of the overall approved budget, reporting to the Finance Committee on variances and the reason for these variances.

## **Responsibilities**

### **The Facilitator Shall:**

1. Consult with the Treasurer and, whenever possible the Finance Committee, regarding Coalition business matters which bear on the finances of the Coalition for items or things not covered by the General Policies and Authority; such as the solicitation of grants, commitments of funds for Action Team projects and other matters which have potential current or future financial impacts.
2. When prior consultation is not possible, the Facilitator shall advise the Treasurer and the Finance Committee of emergent decisions or activities of the Executive Committee or Coalition Action Teams which involve financial commitments or significant expenditure of Coalition funds.

### **The Treasurer shall:**

1. Ensure, by providing direction to the Coalition bookkeeper, that donor restricted funds, grant funds and SC designated funds such as Action Team funds, are accounted for separately from general operating funds.

2. Receive, process, and disburse funds using controls that are sufficient to maintain basic segregation of duties to protect Coalition bank accounts, income receipts, and payments; and develop, review with the Finance Committee, and implement such financial guidance and procedures to set such controls in place.
3. Ensure that expenditure of funds for a designated project shall be approved by the Action Team leader or SC liaison before payment is made.
4. Action Team leaders and/or SC liaisons should authorize all team spending before any financial commitments are made by their teams to ensure they currently have funds or budgets available to cover the spending.
5. Report the financial results of Coalition operations on a monthly basis by submitting a written report at the regularly scheduled SC meeting.
6. Pay all obligations promptly and file or ensure that required reports are filed in a timely manner. Any personal reimbursements must be accompanied by a receipt. For reimbursements the check recipient and signatory shall not be the same person.
7. Obtain or ensure that competitive bids are obtained for items or services costing in excess of \$1,000. Selection will be based on cost, service and other elements of the contract. The Coalition may award the bid to any provider and is not required to accept the lowest cost proposal.
8. In coordination with the Finance Committee, periodically review Coalition financial policies with the SC and ensure that newly appointed SC members are education on Coalition financial policies.

**The Steering Committee shall:**

1. Review the Treasurer's financial reports at each SC meeting.
2. In coordination with the Facilitator and the Treasurer, ensure that adequate training to members is provided to enable each member to fulfill their financial oversight role.
3. Review the Coalition proposed annual budget as submitted by the Treasurer, and following review and any adjustments required, approved the annual budget prior to January 1 each year.

**Budget Policy**

In order to ensure that planned activities minimize the risk of financial jeopardy and are consistent with Steering Committee approved priorities, long-range organization goals, the Treasurer shall:

1. Prepare operating and capital budgets in consultation with the Facilitator and the Finance Committee; review the proposed budget with the Finance Committee

and submit the proposed budget to the SC no later than October 31 of each fiscal year.

2. Use responsible assumptions and fiscal projections for development of the Coalition budget with a general goal of an unrestricted surplus.
3. The Treasurer shall make adjustments required by the SC and re-submit the budget so that it may be approved prior to January 1 of each year.

### **Gift Acceptance Policy**

1. The Coalition will accept stock or other negotiable instruments as a vehicle for donors to transfer assets to the organization. Acceptance is contingent upon review and approval by the Facilitator and the Finance Committee. Transfer and recording the value of the asset shall be done in a consistent manner and in compliance with accounting standards. The treasurer shall sell any stock given to the organization immediately upon receipt by the organization.
2. The Coalition may accept contributions of goods or services other than cash that are related to the programs and operations of the Coalition. Acceptance is contingent upon review and approval by the Facilitator. Such gifts over \$500 in estimated value must be reported to the Finance Committee. Any other contributions of non-cash items not directly related to Coalition or Action Team projects shall be reviewed and approved by the SC before acceptance.

These policies and procedures will be updated, and reviewed by the Steering Committee every five years or more frequently if needed. This policy updates and replaces the Financial Policies and Procedures adopted: May 10, 2011.

Approved by a majority vote of the Steering Committee on: October 9, 2012.

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Secretary Signature