

Windham County Natural Resources Conservation District
Financial Policies and Procedures

Approved by Board of Supervisors March 11, 2020

1. Purpose

The purpose of these Financial Policies and Procedures is to support the mission of the Windham County Natural Resources Conservation District (NRCD), protect the District's financial assets, and ensure District accountability.

2. Approval and Amendment

These policies and procedures shall be approved by the Windham District Board of Supervisors and may be amended by vote of the Board at any time.

3. Standards

Windham NRCD's bookkeeping and accounting activities shall be carried out in accordance with Generally Accepted Accounting Principles (GAAP), except that, whereas GAAP requires accounting on an accrual basis, the District may record its accounts on a cash basis while to the extent possible maintaining reporting on accrual or modified accrual basis. The District shall comply with all State and Federal grant and contract requirements as specified in agreements.

4. Budget

The District Manager shall prepare the Annual Budget in consultation with the Board Treasurer. The budget is tied to the District's Annual Work Plan and includes information regarding:

- secured and expected sources of income
- the hourly rate of each employee, projected number of hours, and sources of income to cover those hours
- projected expenses per activity/project by major expense category

5. Contractual Obligations

The District Manager must obtain board approval for all contractual obligations exceeding \$5,000. The District Manager may approve contractual obligations up to \$5,000 within the approved budget. The District Manager shall inform the board of all

contractual obligations at the first meeting of the board after the date on which contractual obligations were accepted.

6. Employment Obligations

The Board of Supervisors shall approve the hire of all employees, including hourly wage and estimated average number of hours per week. Raises are considered during the annual budget, during performance reviews, and when job responsibilities change.

7. Banking and Investments

Opening and closing bank and investment accounts shall be approved by the Board of Supervisors. All accounts must have two Board signatories, in addition to authorized staff. Transfers between accounts may be made by the District Manager to conduct District Business. Transfers in and out of investment accounts shall be approved by the Board of Supervisors.

8. Deposits

Deposits may be made by the District Manager and other members of the board. Documentation shall be kept regarding the source and purpose of the income. Copies of checks deposited shall be retained.

9. Payment Authorizations

The District Manager may authorize payments within the approved budget, except payments to him/herself, which shall be approved by the Board Treasurer. Checks exceeding \$3,000 shall have two signatures of approved signatories.

Payments outside the approved budget up to \$500 may be approved by the Board Treasurer.

Payments outside the approved budget exceeding \$500 shall be approved by a vote of the Board of Supervisors and are usually combined with approval of a budget revision.

Any approved bank signatory may sign checks. A completed check register and back up documentation such as invoices, timesheets, and receipts shall be retained.

10. Financial Reporting and Review

The District Manager shall provide a quarterly financial report at the January, April, July, and October meetings of the Board of Supervisors. The report shall include information regarding income and deposits, checks written, unpaid obligations and account balances. The information shall be provided in the form of Profit and Loss by Class, Balance Sheet, Budget to Actual, and General Ledger Detail reports for the reporting period as well as the fiscal year.

The District Manger shall meet with the Board Treasurer to review financial activities at least once per month. Copies of monthly bank and investment account statements and bank reconciliation shall be provided to the Board Treasurer for review.

The District shall have an independent review or audit of its finances conducted as the board deems necessary.