

WELCOME HOME HOUSING

Accounting Policies and Procedures

(Section 5)

Audits

Formal audits are not required by the organization, but will be considered in the future. Informal audits or check and balance system may be requested at any time by a majority of the Board. The informal audit is to be done by a committee appointed by Board members.

Authorization for Contractual Obligations

With the authorization of the Board, the Executive Program Director has the authority to obligate the organization contractually.

Authorization for Services or Expenses

The Executive Program Director may authorize services and expenses up to a limit of \$500 per transaction to a limit of 4 transactions a month without prior Board approval. Services and expenses exceeding \$500 require Board approval.

Authorization to Obtain Financing

Board approval is required for obtaining financing.

Authorization to open Bank Accounts

With Board approval, the Executive Program Director and Treasurer together are authorized to open bank accounts.

Bank Reconciliations

Bank accounts will be reconciled on a monthly basis by the Treasurer of the organization and reviewed monthly by the Executive Program Director and by the Board at the Board meeting.

Bookkeeping

All bookkeeping will be completed by the Treasurer and will be reviewed regularly by the Board and Executive Program Director at Board meetings.

Check Custody

Blank checks will be kept in a safe location, preferably locked, by the Treasurer, with a minimal amount of blank checks available to the Executive Program Director. All checks will be numbered.

Check Ordering

The Treasurer will be responsible for ordering checks.

Check Signers on Financial Accounts

The Executive Program Director and Treasurer will have check signing authority. In the future there may be a requirement for two signatures for checks over \$500, other than rent checks to landlords.

Deposits

The Executive Program Director and Treasurer have the authority to make monetary deposits. Copies of checks and deposits must be made along with a copy of the deposit receipt and filed with the Treasurer. All rent checks and donations are to be deposited within five days of receipt if at all possible.

Distribution of Checks Received

Rent checks:

- All rent checks should be sent to the Treasurer.
- If residents give checks to a Board member, officer or staff, either the checks are to be mailed to the Treasurer, or given to the Executive Program Director who will copy the checks for the file prior to depositing them in the bank account with notice to the Treasurer.
- Treasurer will deposit rent checks into the organization's checking account within 5 days of receipt after making copies of all checks for the file.

Donation checks:

- Donations are mailed to the Treasurer.
- Treasurer will make copies of all donation checks and deposit into the checking account within 5 days of receipt.
- Donation check deposits will be included in the monthly Treasurer's Report provided to the Executive Program Director.
- Treasurer is to send thank you tax letters to donors.

Donations

Record keeping of donations and a donor list is to be kept by the Treasurer.

Financial Statements

Financial statements will be prepared monthly by the Treasurer and will be reviewed bimonthly by the Board at the Board meeting.

Fundraising Budgets

Budgets will be prepared for all fundraising activities and tracked for accuracy by the Treasurer.

Income Tax Reporting

The Treasurer will be responsible for all tax reporting using forms: 990-EZ, 199, 990, DE-9, RFR-1 and 991. The forms must be filed no later than May 15, preferably by May 1.

Forms 1099 and W4s are to be filed no later than January 30.

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Organization Budgets

A budget for the organization will be prepared and updated yearly by the Treasurer and two board members, then reviewed and passed by the Board. The budget will be based on prior year's results with adjustments as forecasted for the coming year. Budget versus actual reports prepared by the Treasurer will be compared on a regular basis to view the accuracy of the budget and the current year's results. The Treasurer will present a report to the Board when the budget is out of balance.

Organization Credit Cards, ATM Cards or Lines of Credit

The decision to add credit accounts will be at the discretion of the Treasurer and Board. The Executive Program Director, Treasurer and approved staff are authorized to use the ATM and credit cards.

Records Maintenance

The Treasurer will be responsible for maintaining hard copies of all records at a secure location satisfactory to the Board. Original copies, permits, insurance policies and tax exemption papers will be maintained by the Executive Program Director at a secure location deemed satisfactory by the Board.

Resident Activities Budget

All WHH planned resident outings must stay within the budget approved by the Board.