

Sample Documents for GFMD Presentation

Tribal Affairs Division – New Grantee Orientation

Breakout Session: Financial Workshop

February 2020

- 1. Example of “Setting Up a New Cost Center”**
- 2. Segregation of Duties Example**
- 3. Example of “Recording of Time” Policy**
- 4. Example of “Pay Practices” Policy**
- 5. Sample Timesheet**

Example of “Setting Up a New Cost Center”

- 1000-1999 Assets
- 2000-2999 Liabilities
- 3000-3999 Equity
- 4000-4999 Contributions and Support (in a non-profit)
- 5000-5999 Revenues
- 6000-6999 Other Revenues
- 7000-7999 Expenses – Personnel related
- 8000-8999 Expenses – Non-Personnel related
- 9000-9999 Non GAAP (Generally Accepted Accounting Principals) Expenses

Set up a new cost center/activity code for each new grant

Example – 2018 OVW Legal Assistance for Victims “-201”

2018 OVW Tribal Coalitions Program (assuming a 2018 award #) “-202”

Account 7220 – Salaries and Wages

7220 – 201 - Salaries and Wages – 2018 OVW Legal Assistance for Victims

7220 – 202 - Salaries and Wages – 2018 OVW Tribal Coalition Program

Segregation of Duties Example

Policy:

ORANIZATION maintains segregation of duties so that more than one person is involved in financial activities; the person who authorizes purchases or approves payments will not be the same person who actually makes the payments; and no person will ever sign a check made out to themselves.

Procedures:

The following is a list of personnel who have fiscal and accounting responsibilities and some of the key responsibilities for each position:

Board:

- Supervises the Executive Director
- Reviews and approves the annual budget
- Meets periodically throughout the year
- Reviews annual and periodic financial statements and information.
- Hires, terminates, and reviews Executive Director's performance annually and establishes the salary
- Authorizes signers on the bank accounts
- Reviews and approves salary ranges and benefits
- Reviews and approves all contracts and expenditures over \$10,000 unless such contracts and expenditures are for activities that have been previously approved by the Board in an annual organization budget or federal grant budget or budget revision.
- Reviews and advises staff on internal controls and accounting policies and procedures
- Selects and contracts with the independent auditor

Executive Director:

- Works under the supervision of the Board of Directors
- Supervises Finance Director and Managing Director
- Responsible for the fiscal integrity of the organization to include submission to the Board of a proposed annual budget and monthly financial statements which accurately reflect the financial condition of the organization.
- Reviews and approves all financial reports including cash flow projections
- Reviews and approves all contracts and expenditures for activities that have been previously approved by the Board in an annual organization budget or federal grant budget or budget revision; all recurring contracts; and all non-budgeted contracts and expenditures under \$10,000.
- Reviews and approves grant submissions and acceptance of grant awards and conditions.
- Approves check signing procedures and serves as one of the agency check signers
- Approves inter-account bank transfers such as line of credit transfers
- Is on-site signatory for all bank accounts
- Reviews completed monthly bank reconciliations
- Maintains personnel files for all employees
- Oversees the adherence to all internal controls

Finance Director:

- Works under the supervision of the Executive Director
- Supervises Bookkeeper and Office and HR Administrator
- Works with Management Team to ensure programmatic success through cost analysis support and compliance with all contractual and programmatic requirements.
- Monitors program budgets
- Reviews and approves all payrolls
- Reviews and manages cash flow
- Reviews all inter- account bank transfers and bank deposits
- Works with the Executive Director with the development of annual and program budgets
- Reviews all incoming invoices after checks have been signed
- Monitors and manages all expenses to ensure most effective use of assets
- Monitors grant reporting and appropriate release of temporarily restricted funds
- Distributes general operating expenses to appropriate federal and non- federal programs based on federally approved Indirect cost rate.
- Communicates with funder any financial matters
- Makes recommendations for asset retirement and replacement
- Reviews, revises, and maintains internal accounting controls and procedures
- Reviews all financial reports
- Prepares monthly reports for Finance Committee, ED, and BOD
- Oversees record retention and destruction

Bookkeeper:

- Works under the supervision of the Finance Director
- Overall responsibility for data entry into accounting system and integrity of accounting system data
- Processes invoices and prepares checks for signature
- Processes payroll
- Maintains general ledger
- Prepares and distributes monthly program reports for Executive Director, Managing Director and

Program Managers:

- Mails vendor checks
- Manages Accounts Receivable
- Prepares and maintains consultant contracts
- Deposits and files Quarterly employee taxes

Office and HR Administrator:

- Works under Finance Director supervision
- Receives and opens all incoming mail except bank statements
- Stamps and distributes mail, logs the incoming checks and stamps them for "Deposit Use Only"
- Processes invoices
- Maintains agency list of fixed assets

Managing Director:

- Works under the supervision of the Executive Director
- Works with Management Team to develop program budgets and annual budget and ensure Praxis is meeting its obligations under each grant
- Ensures budgets are monitored and spending is within limits
- Reviews and approves monthly Profit and Loss statements
- Develops and writes grant proposals
- Oversee program reporting to funders
- Serves as primary liaison with funders on program issues
- Serves as one of the agency check signers
- Designated to sign certain contracts and grant agreements

Bank Reconciliation Procedures:

- All bank statements are given unopened to the Finance Director. The Finance Director reviews the statements for unusual balances and/or transactions.
- The Finance Director will open the statement and review its contents for unusual or unexplained items, such as unusual endorsements on checks, indications of alterations to checks or check images, etc.
- The Finance Director who is not an authorized check signer will reconcile between the bank balance and general ledger balance
- The reconciliation must be completed in a timely manner. The reconciliation process must be as follows: a comparison of dates and amounts of deposits as shown in the accounting system and on the statement, a comparison of inter-account transfers, an investigation of any rejected items, a comparison of cleared checks with the accounting record including amount, payee, and sequential check numbers.
- The bank reconciliation process should be completed within two weeks of receipt of each bank statement.
- The Finance Director will verify that voided checks, if returned, are appropriately defaced and filed.
- The Finance Director will give a report of any checks that are outstanding over six months to the bookkeeper to contact payee.
- The Finance Director will attach the completed bank reconciliation to the applicable bank statement, along with all documentation.
- The reconciliation report will be reviewed, approved, dated, and initialed by the Executive Director.

Example of "Recording of Time" Policy

Recording of Time Policy

1. Policy:

It is the policy of ORGANIZATION to utilize a time recording system that is as accurate as possible to record the work time of each employee.

2. Purpose:

ORGANIZATION is committed to complying with all laws that govern employee pay. In addition, the Agency will make every effort to ensure the accuracy of its pay practices, records and systems for legal and funding purposes. This policy and procedure sets forth the steps to be followed by each employee for use of the electronic timekeeping/pay system.

3. Definitions

- a. Electronic time clock: The mechanism that electronically records and stores the time swipes of employees and is programmed to ORGANIZATION's timekeeping and payroll policies and practices.
- b. Swipe card: The plastic card used by employees to record their work time on the electronic system.
- c. Swipe: The act of running the swipe card through the electronic time keeping system to record time in and time out.
- d. On-site: At a ORGANIZATION facility.
- e. Off-site: Away from a ORGANIZATION facility, including Courts, home visits, conferences, other business offices or agencies.

4. Procedures

- a. ORGANIZATION shall issue each full-time, part-time, temporary and relief employee a swipe card to be used for recording work time. This card will be provided to the employee within seven (7) working days of the employee's completion of her/his new hire paperwork. Until the swipe card is issued, the employee must record her/his time manually with the assistance of her/his supervisor.
- b. All employees, including managers, exempt and non-exempt employees, are required to use the electronic time clock, unless a time clock is not available at the work site (see #4 below). This electronic system enables ORGANIZATION to accurately track productivity and hours worked for external funding purposes.
- c. Employees whose work takes place primarily on-site are required to swipe the card at the electronic time clock at the beginning and at the end of her/his shift or work time. This swiping of the card indicates that the employee is starting or ending work.

- d. Employees whose work takes place primarily off-site where no time clock is available may indicate the starting or ending of work via computer or other means approved by her/his supervisor.
- e. A non-exempt employee may perform work at or from home only with the prior explicit approval of her/his supervisor. Work performed at or from home must be manually recorded and approved by the supervisor for purposes of timekeeping and will be paid in accordance applicable policies.
- f. Each ORGANIZATION location has an electronic time clock that is part of the ORGANIZATION time keeping system. Any employee of ORGANIZATION may use the electronic time clock at any location to swipe her/his card.
- g. The employee must begin work responsibilities upon swiping in and must swipe out after ending work responsibilities. Swiping in early and/or out late in order to be paid for non-authorized, non-work responsibilities is considered to be theft of time and will be subject to disciplinary action, up to and including discharge.
- h. Each part-time employee must swipe out at the beginning of her/his lunch break and in at the end of her/his lunch break. Full-time employees are paid for the lunch period, so swiping and out are not required.
- i. The electronic system records the time between swipes as time worked. Each employee's supervisor will review these records at the end of each pay period, make any necessary edits and authorize payment for this time.

Example of "Pay Practices" Policy

Pay Practices Policy

1. Policy
ORGANIZATION will pay its employees in compliance with all applicable federal and state laws and funding requirements.
2. Purpose
This policy explains the pay practices of ORGANIZATION.
3. Definitions:
Workweek: From Saturday midnight to the following Saturday at 11:59 p.m.
4. Procedures
 - a. ORGANIZATION's pay period shall be two (2) consecutive forty (40) hour weeks. Each week shall begin and end at the times as defined under "workweek" above.
 - b. Paychecks are issued on a biweekly basis every other Thursday. On payday, employees will be issued a paycheck that compensates the employees for the prior, completed two (2) week period. If a payday falls on a Holiday, employees will be paid on the last working day prior to the Holiday.
 - c. Each paycheck will be accompanied with a statement showing gross pay, federal, state and local taxes, other deductions and net pay. In addition, the employee's current available vacation and sick time will be shown.
 - d. All deductions other than those required for taxes will require a signed authorization from the employee. Deduction Authorization forms are available in the Finance Department.
 - e. The Agency will comply with all demands for wage garnishments, court orders and other legally-required deductions.
 - f. Employees who discover a mistake in a paycheck, has lost a paycheck or whose paycheck has been stolen should notify the Finance Department immediately. Errors in paychecks will be remedied immediately. In the case of a lost or stolen paycheck, the Finance Department will place a stop payment on the check. If the check has not been cashed, ORGANIZATION will issue a replacement check to the employee. However, if the check has been cashed, ORGANIZATION will not issue a replacement check.
 - g. Employees may elect to have their paychecks directly deposited in their bank account by completing a Direct Deposit Authorization form, available in the Finance and Human Resources departments.

[Name of Organization] Timesheet 2011

Supervisor: _____
Date: _____

Month: May-11

Signature: _____
Name: Sample employee

Day	Date	Time In	Time Out	Total Paid Hours	Non-Program / Shared hours				State VOCA Training*	State VAWA	State VOCA	Rural SART	LAV	State Coalition 10	General Fund	Description of Work Performed
					Sick Time	Vaca- tion	Other (Specify)	Dev								
Sunday	1															
Monday	2	8:30	4:30	8.00					1.00	1.00		2.00	4.00			Grant progress reports, review finances. Assist w/legal clinic
Tuesday	3	8:30	5:30	9.00				1.50		2.00			5.50	1.00		Staff meeting. Presented state VAWA legal changes, membership networking/state strategy discussions, lobbying report and subcommittee meeting
Wednesday	4	7	2	7.00					2.00	3.00	2.00					Advocate training, Seeking Safety program planning
Thursday	5	8:30	4:30	8.00						1.00	1.00	3.00		3.00		Technical assistance and communications on various grant topics, rural SART conference call and follow up TA
Friday	6	8:30	12:30	8.00				4.00		1.00	1.00			2.00		Putting info together for member centers. Other: Personal Time approved by Name (supervisor)
Saturday	7			-												
Sunday	8			-												
Monday	9	8:30	5:30	8.00					1.00	1.00	1.00	2.00	1.00	1.00		Website content changes - 1 hour lunch
Tuesday	10			-												
Wednesday	11			-												
Thursday	12			-												
Friday	13			-												
Saturday	14			-												
Sunday	15			-												
Monday	16			-												
Tuesday	17			-												
Wednesday	18			-												
Thursday	19			-												
Friday	20			-												
Saturday	21			-												
Sunday	22			-												
Monday	23			-												
Tuesday	24			-												
Wednesday	25			-												
Thursday	26			-												
Friday	27			-												
Saturday	28			-												
Sunday	29			-												
Monday	30			8.00												Memorial Day
Tuesday	31			-												
TOTAL Hours				56.00	0.00	0.00	4.00	1.50	4.00	9.00	5.00	7.00	5.00	11.50	1.00	
							MTD Budget Hrs		2.13	12.75	4.25	2.13	4.25	17.00	0.00	
							Under(-) / Over		1.88	-3.75	0.75	4.88	0.75	-5.50	1.00	
							Actual %		9%	21%	12%	16%	12%	27%	2%	

SAMPLE

MTD Program Hrs 43

SAMPLE TIMESHEET

[Name of Organization] Timesheet 2011

Month: May-11

Name: **Sample employee**

<i>Budget Pe Actual</i>			
State VOCA Training*	5%	9%	Training to Centers; certification of advocates
State VAWA	30%	21%	Technical assistance to Centers; Communities of Color Outreach
State VOCA	10%	12%	To provide direct services to crime victims
Rural SART	5%	16%	Technical assistance to statewide and territorial coalitions; trainings/meetings; publications
LAV	10%	12%	Admin/financial costs for sex offense prevention activities to Centers, professionals, and public
State Coalition 10	40%	27%	Technical assistance and training to Centers; collaborate with other entities
General Fund	0%	2%	Lobbying / Fund Raising
TOTAL %	100%	100%	

	Sick Time	Vacation	Pers-onal	Family Death
Previous Balance	460.50	132.50	24.00	0.00
Used this month	0.00	0.00	4.00	0.00
Balance	460.50	132.50	20.00	0.00
Earned this month	12.00	14.00	0.00	0.00
New Balance	472.50	146.50	20.00	0.00

SAMPLE