

**DRAFT DRAFT DRAFT**  
**PROPOSED AT 01-19-2017 Regular Board Meeting.**  
**Discussion and Changes to be made**

**FINANCE AND EXPENDITURE POLICIES.**

**1.     General Provisions.**

- a) The Board of Directors (Board), as the governing body of the Eastern Plumas Recreation District (District), formulates financial policies for the District and delegates administration of those policies to the Treasurer as the Board deems appropriate. In the absence of a Treasurer, the Board delegates this responsibility to the bookkeeper.
- b) The Treasurer is responsible for all management of financial operations, including managing office staff, delegation and operation within the approved budget(s).
- c) Financial duties and responsibilities must be separate so that no one Board member, employee or contractor has sole control over receipts, disbursements, payrolls, check writing, reconciliation of bank accounts, etc.
- d) Separate accounts will be maintained as required by funding source and at the sole direction of the Treasurer.
- e) All forms will be completed in black or blue ink, typed or word-processed.
- f) Expense shall be allocated by actual identifiable expenses and/or proportioned by time spent or usage per funding source using identified categories.
- g) The District will use a electronic bookkeeping system such as Quickbook or Quicken in accordance with approved financial accounting requirements. Accounts will be kept in a computerized format.
- h) The District's fiscal year is July 1 through June 30.
- i) Financial policies and procedures will be reviewed annually by the Finance Committee, or Board if there is no Finance Committee, and the Treasurer. Changes to the Financial Policies will be approved by the Board and implemented by the Treasurer.
- j) Handling of financial matters by the District's employees, contractors and board members will conform to the highest ethical standards and the

District's Conflict of Interest Policies. No financial transaction, decision or hiring of employees should result in personal or financial gain for a Director, employee or contractor, or any spouse or relative of the same. If there is any question about the propriety of a decision or transaction, or whether there is a potential conflict of interest, it is subject to approval of the Board. Failure to conform to this policy may constitute grounds for dismissal from office or employment.

- k) The Treasurer shall approve and sign all required federal, state and local reports subject to approval of the Board.

**2.) Revenues, Deposits & Allocations.**

**A. Revenues.**

1. The District receives cash and checks in the normal course of business.
2. Checks made payable to an individual, cash or any other payee other than the District or its specified projects will not be accepted.
3. It is generally the policy of the District that no payment shall be accepted in cash. However, when a cash payment is received, the Treasurer or his/her designee shall record the payment in a payment receipt book with duplicates. The original copy will be sent to the payee. The copy will remain in the book for bookkeeping and audit purposes. A list of cash deposits will be sent to the Treasurer for review in any quarter in which they are received. In the event that cash receipts exceed **\$2,500.00** in any quarter, the Board shall review them.
4. The receipt shall be completely filled out. The project or account to be credited will be indicated.
5. When the District Receives a check payment, the Treasurer or his/her designee will be responsible for endorsing the check, recording the check in Quickbooks or another electronic bookkeeping system,
6. The Treasurer or his/her designee shall post all transactions using the District's approved electronic software program.

**B. Deposits.**

1. The Treasurer or his/her designee will be responsible for creating deposit slips.
2. The Treasurer or his/her designee will be responsible for making all deposits in a timely manner. Deposits should be made within twenty-four (24) hours of receipt.

C. Allocations.

3. **Purchasing Authorization, Disbursements, Check Processing, Bank Reconciliation, Petty Cash**

A. Purchasing Authorization.

1. A budget, approved by the Board at the time of entering into a grant or contract, constitutes approval to proceed according to that specific financial plan.
2. An expenditure, which causes a project, contract or grant to exceed the budget, requires the approval of the Board. Recurrences of the necessity to seek approval may signal the need to revise the budget.
3. Expense voucher forms must be prepared and turned in with supporting documents at least quarterly, signed by the spender, and approved by the Treasurer or his/her designee, if included in the operating or project budget. The Treasurer approves the expense voucher if prepared by a designee. Expense vouchers submitted by the District's Bookkeeper will be approved by the Treasurer.
4. Invoices will be timely. A summary of bills will be prepared by the Treasurer or his/her designee and presented to the Board at the next regular meeting for approvals.
5. Credit cards may be used for customary charges. Invoices shall be attached to credit card statements, with allocations made to the appropriate class.
6. Directors shall fill out an Expense Voucher detailing dates, amounts and descriptions of items. All vouchers shall be filled out and returned to the District's Treasurer within thirty (30) days. All vouchers shall be for reasonable and necessary costs subject to the District's Travel and Meals Policy.

B. Disbursements and Check Processing.

1. All blank checks shall be securely kept.
2. Voided checks will be marked “VOID” and retained in the check register.
3. No checks will be made payable to “cash” or “bearer.”
4. Blank checks will not be pre-signed or use any form of signature stamp.
5. Two signatures will be required on every check. The designated signators shall be the Treasurer and the Chairman of the board. In the absence of either the Vice Chairman shall substitute. In the absence of both the Secretary.
6. Checks will not be prepared without proper invoice or signed voucher.
7. The Treasurer shall keep a payment listing of all disbursements along with hard copies of all checks, bank statements and corresponding documentation in a three ring binder.
  - a. The disbursements shall be included in the minutes. A register shall include vendor name, warrant number, reason for payment, payment amount, and budget account code.
    - i. The Minutes of Meeting shall be signed by two officers or two board members authorizing their review and approval of the minutes.
  - b. The payment listing should then reviewed and approved by the board of the district with approval signature indicated on the listing disbursement.
  - c. Transaction to be recorded in the binder shall include but not limited to grant receipts, grant expenditures, capital expenditures and various other transaction listed on the District’s bank statements.
  - d. The Treasurer shall maintain a complete record of all receipts. The receipts register should include preprinted receipts, triplicate copies with final copy remaining in the receipt book. Each receipt should be completed with an explanation of reason for receipts and be signed and dated by the Treasurer.

C. Bank Reconciliation.

1. Bank statements will be received at the District post office box solely by the Treasurer.
2. Electronic copies of bank statements will be received by the Treasurer or his/her designee and filed in a three ring binder. The Treasurer or his/her designee shall prepare a monthly reconciliation report to be presented at the next regular meeting..

D. Petty Cash.

1. A petty cash fund, also known as Revolving Fund, shall not to exceed **\$500.00**, may be maintained for authorized District purchases only, generally postage, office or other ordinary supplies.
2. If a petty cash fund is kept, it shall be kept in a secure location.
3. A log of all expenditures from the petty cash fund will be maintained by the Treasurer or his/her designee. The Treasurer will approve all petty cash expenditures. A check will be prepared by the Treasurer or his/her designee when the fund requires replenishment.

4. District Property.

A. Fixed Assets and Equipment Purchases.

According to the 2016 Audit, the Independent Auditor's findings proposes that "the District should adopt a fixed asset policy to record, track and depreciate (if Possible) all fixed assets in excess of a board designated amount. The methods used in recording and tracking fixed assets purchased or otherwise acquired should be described in the District's policies and procedures manual. Fixed assets purchased should be recorded at their cost while fixed assets donated should be recorded at the fair value at date donated. This was a prior audit finding. "

1. Capital equipment shall be defined as all items with a unit cost or value of **\$100.00 (\$500.00)** or more, or as defined by the funding source.
2. The District will maintain an inventory of fixed assets, including equipment and furniture.
3. The Treasurer or his/her designee will at the time the capital asset is acquired, insure that an inventory number and label is assigned

to the asset and that the asset is added to the inventory list and added to the insurance policy.

4. The inventory list will be updated annually at the close of the fiscal year. Fixed assets are depreciated using the straight-line method over the estimated useful life of each asset. A list of obsolete assets shall be provided to the Board annually for disposition. The District may dispose of surplus property through a negotiated contract with a company or in any manner that the Board determines to be reasonable. The Board may make the property available for donation to any nonprofit or other local or state agency willing to receive surplus property donations..
5. The Treasurer is responsible for ensuring that all capital equipment is labeled with equipment numbers assigned.

- a. All Fixed assets should be labeled "Property of Eastern Plumas Recreation District."

6. All capital acquisition requires the approval Board, or the Finance Committee, if one exists or with the Treasurer's approval can approve the purchase of the capital item if the item is needed prior to the regular meeting of the Board.
  - a. Fixed assets purchased should be recorded at their cost while fixed assets donated should be recorded at the fair value at date donated.
  - b. The use of and responsibility for the Dell Laptop Computer shall be held by the Recording Secretary. If there is no recording secretary it shall be the responsibility of the Secretary officer. It shall not be used for personal use and must be returned to the District by the Recording Secretary should they resign. This computer shall be recorded at its original cost and depreciated.
7. A physical inventory of all equipment can be requested by the Board to be carried out by the Treasurer or his/her designee.
8. The Treasurer shall be notified immediately of all cases of loss, damage or destruction.
9. The Treasurer or his/her designee will inventory all supplies remaining once the project for which they have been purchased is completed and forward it to the Board. These supplies are the

property of the District and will be used according to reasonable need.

**5. Contracts and Subcontracts.**

1. The Board will approve all contracts and subcontracts.
2. No contractor, subcontractor or vendor will be retained when there is an actual or perceived conflict of interest with a Director, Bookkeeper or employee of the District.

**6. Insurance Policies.**

1. Insurance policies shall be maintained by the Treasurer and posted to the online website for public review.
2. Coverage shall be maintained as needed for property, liability insurance, Director's Errors and Omissions, vehicles, personal property, real property, unemployment, worker's compensation and other policies as required by programs, contracts and the needs of the District.ist board members, officers, agents and employees. The board members, officers, agents and employees shall be named as "additional insured" on all contracts that require insurance.
3. Proof of current employee personal automobile insurance will be maintained for employees that regularly travel for their employment and will be periodically reviewed by the Treasurer to ensure effective dates.

**7. In-kind Contributions.**

1. All in-kind contributions such as property, services and volunteer time will be received, credited to the appropriate project and recorded on a monthly basis in an in-kind receipt book to include an assigned value. The Treasurer or his/her designee is responsible for maintaining this receipt book.

**8. Loans.**

1. Third party loans from outside sources such as other agencies, grants, banks, etc. shall require approval by the Board of four-fifths (4/ 5) vote.

**9. Annual Filing Requirements.**

1. Plumas County Auditor/Controller Office.

- a. The Treasurer shall file the appropriate annual forms with the Plumas County Auditor and the State Controller's Office.
  - i. The State Controller's report is due on or before September 30 of each year if paper files. Electronic filing due date is approximately two weeks later. The fine for late or incomplete filing is as much as \$5,000.

10. **Grants and Contracts.**

- 1. Copies of all grants, contracts and grant modifications will be maintained by the Grant Manager, or in the absence of a Grant Manager, by the Treasurer or his/her designee. The files will be open and accessible. Files will be made available for review by the Board at their request and become public records.
- 2. The Grant Manager, or in the absence of a Grant Manager, the Treasurer or his/her designee, will review each contract and/or amendment to ensure compliance with all fiscal and legal provisions.
- 3. The Treasurer will assign account numbers to each new grant.
- 4. In the absence of a Grant Manager and a Treasurer, the Board members will manage and perform the functions specified in Items 1 - 3.

11. **Grant Reports.**

- 1. Monthly financial reports by cost and income category for each grant will be prepared by the Grant Manager, or in the absence of a Grant Manager, by the Treasurer or his/her designee, by the Board in the absence of both.

12. **District Projects and Operating Budgets.**

- 1. Budgets will be prepared by the Treasurer in conjunction with the Project Manager or with the Chairman of a Standing Committee or Ad Hoc Committee overseeing the project in the absence of a Project Manager.



2. The Board will approve all budgets and any changes to the project's budget(s).
3. The Treasurer, or in the absence of a Treasurer the Board shall monitor operating expenses for conformity with operating budget on at least a monthly basis.
4. The Board shall receive a minimum of four fiscal reports per year on all projects of the District prepared by the Project Manager, or the Chairman of a Standing Committee overseeing the project in the absence of a Project Manager, along with a grants summary if a grant has been secured, or is being sought after.

**13. District Fundraising Policies.**

1. The District highly encourages individuals, nonprofits and for-profit entities, herein called Event Holder(s), to fund raise for the District and the District's projects.
2. Any event conducted for the benefit of the District or the District's projects, such as the Johnsville Historic Ski Bowl, must abide by these policies. Event Holder(s) shall fill out the appropriate applications in a timely manner for review, discussion and approval of the Board.
3. The District takes on liabilities when Event Holders hold events without the Board's approval.
4. The District is highly concerned about full transparency of all Event Holder(s) events that monetarily benefit the District and the District's projects.
5. All fundraising that benefits the District requires the use of the District's name and logo and cannot be used by third parties without the approval of the event and the permission of the Board.. Therefore, the District has established these policies to guide Event Holders in their fundraising efforts.
  - a. The District name and logo shall be printed on all event flyers, posters and printed materials.
  - b. The District shall be mentioned in all press releases as "Sponsors" of the event.

- c. Only approved events can use the name and logo.
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- 6. The Event Holder shall fill out an Event Application and provide written description of the event along with a statement of projected revenues and expenses, the amount of expected profit and the estimated amount of donation to be made to the District.
  - 7. The application should be submitted to the Chairman or the Chairman of the Standing or Ad Hoc Committee in a timely fashion.
  - 8. The Board shall consider the event at its next Regular Meeting which is held on the third Wednesday of each month at 6:30 pm pm and 72 hour notice
  - 9. In order for the event review to be placed on the Agenda it must be submitted in writing to the Board no later than 9:00 a.m. seven (7) days prior to the regular meeting. Email transmissions is acceptable.
  - 10. All events shall carry sufficient insurance coverage and provide an Insurance Certificate naming the District in a rider and indemnifying the District from all liability.
  - 11. If there are food and alcohol sales involved in the event, the Board requests that copies of all the all the health department and Alcohol, and Beverage Control applications and approvals be attached to the Event Application.
  - 12. All events held onsite at the Johnsville Ski Bowl requires a Sierra District Special Event Permit Application be filled out, submitted to the California State Park authorities for approvals. For your convenience this application can be found online on the District website:at [www.eprd.specialdistrict.org](http://www.eprd.specialdistrict.org) A copy of the approved Special Event Permit shall be attached to the District's application.
    - a. Upon securing the approval from California State Parks authorities, a copy of this document along with the District's application should be submitted to the Board.
  - 13. All events shall be self funding. The District does not advance funds for functions.

14. All records of the event become public records under the Public Records Act and are subject to public review and should be filed with the District office within seven (7) days after the event is held.
15. All donations earmarked for the District from fundraising events shall be made to the District with seven (7) days after the event is held.

**13. Audits.**

1. The District is required to perform an audit at the direction of the Board as set forth by Division 9 of the California Public Resources Code.

**13. Business and Travel Expenses.**

The District will reimburse reasonable business and travel expenses incurred by its Directors, officers and employees while on assignments away from the normal work location. The Board shall authorize business travel for other District officers and employees, provided funds are available and allocated for such purpose in a budget approved by the Board. All business travel must be approved in advance by the Board.

When approved, the costs of travel, meals, lodging, and other expenses directly related to accomplishing business travel objectives will be reimbursed by the District. Expenses are expected to be reasonable amounts and must comply with Government Code §53232.2.

Expenses that generally will be reimbursed include the following:

1. All travel must be coded and authorized. Any travel other than routine travel expected as part of normal job duties must be approved by the Board. The Treasurer will approve staff travel. The Board will approve travel request for the Bookkeeper, Directors and committee members.
2. In order to receive compensation, an Expense Voucher will be completed and signed by the person requesting a reimbursement for previously approved travel.
3. When an employee or representative of the District is reimbursed for actual expenses, receipts must be attached to the Expense Voucher. The receipts must be itemized.

4. The rate of reimbursement for auto travel will use the current IRS mileage allowance rates. No receipts are necessary for gasoline usage, but an employee or District representative must state destination and number of miles driven for each day on the Expense Voucher.
5. Mileage for employee's travel to and from residence will not be reimbursed. Mileage reimbursement will be paid only if actual miles traveled exceed round trip mileage from home to the District office or to the assigned project destination. Exceptions to this policy are at the discretion of the Board. Board members are exempt from this provision and may be reimbursed from residence to destination.
6. No mileage reimbursement will be issued to employees unless proof of current auto insurance and driver's license is on file with the Treasurer or his/her designee. Verification of driver's license and vehicle insurance should be done quarterly.
7. Travel expenses will only be reimbursed for the employee and Directors. Spouses and family are allowed to travel with an employee or Director at the expense of the family member.
8. When purchasing airline tickets, hotel accommodations, or other related travel expenses, the employee and Director will make every effort to find a reasonably priced option. Airfare or train fare for travel in coach or economy class or the lowest available fare. Car rental fees only for compact or midsize cars. Taxi fares only when there is no less expensive alternative. Cost of standard accommodation in hotels, motels or similar lodgings using group, government or conference rate when available.
9. Charges for telephone calls, internet, fax and similar services shall be allowed during travel provided these charges are required for business purposes.
10. Meal allowances per diem amount, Breakfast \$12.00, Lunch \$18.00 and Dinner \$30.00.
11. At no time will the District reimburse for alcohol for any reason.
12. If vacation is taken in conjunction with travel completed for District business, expenses will not be reimbursed for days on which the employee, representative or Director did not work.

13. If airline, hotel or other reward program points are earned in the course of travel for District business, those points are the property of the District and should be used for District business.
14. Expense Vouchers and travel claims must be submitted quarterly to be valid for payment.