

ACCOUNTING, FINANCIAL MANAGEMENT and REPORTING

PURPOSE

To have accurate, efficient and effective accounting and financial management with sufficient oversight to preserve a financially stable organization while completing all required reporting.

SCOPE

This policy applies to the Board of Directors and all employees of LADD.

POLICY

It is the policy of LADD that the organization shall practice business in accordance with responsible business practices and legal requirements where the Board of Directors reviews financial reports and planning to maintain a financially stable organization through the use of a third-party financial accounting firm to ensure financial accounting and reporting is accurate while providing additional oversight for the Executive Director and LADD Management team. The Executive Director is the lead in establishing budgets and financial procedures in accounting and reporting of funds to the third-party firm.

PROCEDURE

The accounting, management and financial reporting will be reviewed by the Executive Director and designated personnel. Financial reporting is revised as needed to accommodate new developments in operations or to facilitate more efficient and effective practices, without sacrificing the control objectives of the third-party oversight.

ACCOUNTS PAYABLE

1. On-going bills may be set up to be sent directly to the 3rd Party accounting firm for payment. (i.e. Heat, Electric, Vehicle payments, etc.)
2. The mail will be opened and distributed by designated office personnel noting receive dates/due dates as needed.
3. All payments made to LADD are logged and then deposited via direct deposit, Office Personnel or the accounting firm. Copies of deposits slips are maintained.
4. Once posted both the ledger and the computer balances must match.
5. Accounts payables will be submitted to the Executive Director or designee/Director of Business, for approval of payment.
6. Account payables received at the offices will be entered following the established procedure by the Director of Business and Executive Director.
7. The Executive Director or designee/Director of Business will approve all checks once the run is completed.

EMPLOYEE RECORDS/PAYROLL

1. Employee records will be maintained by the Human Resources Department and electronic time and attendance system.
2. Electronic-time cards will be reviewed by Management of each program.
3. Electronic-time cards are double checked on Payroll day prior to submitting for processing to the Financial company for payroll processing.

4. Payroll will be reviewed and approved by designated personnel prior to sending to Financial company.
5. The established, Board approved, pay rate scale will be followed for all positions.

PETTY CASH

1. All programs will receive a pre-calculated amount for petty cash.
2. This amount will be deposited on Debit Cards for each program.
3. Receipts will be maintained for all petty cash and services expenditures.
4. Ledgers will be maintained to document purchases, amount of money spent, date of expenditure, and vendor.
5. Receipts will be totaled and maintained for auditing purposes.
6. Approved receipts will be reimbursed via deposit on the Debit Cards.
7. All gas cards will be monitored via the WEX system which provides detailed reporting.

BUDGETS AND REPORTING

1. Each program or location will have a corresponding budget which is provided to the financial accounting organization for reporting and reconciliation purposes
2. Budgets are updated as necessary to ensure financial stability.
3. Executive Director and designees will review revenue and expense reports provided by the accounting firm. Financial reports are included in the reporting to the Board.
4. Executive Director monitors changes and negotiates budgets to meet and reflect the corresponding financial requirements.
5. Cash Flow will be monitored regularly to ensure adequate funds are available.
6. LADD recognizes the governance role of its Board and/or Finance Committee which includes the annual review of Form 990. The Executive Director will work with the financial accounting agency for the corporation to ensure preparation occurs with providing time for the review of the Form 990 by the Board/Financial Committee prior to its filing on an annual basis. The Executive Director will ensure that any questions, concerns by the Board are addressed and any changes incorporated into the final filing.
7. An Independent Certified Audit will be done annually and provided to the Board of Directors which includes review of accounting, financial management and reporting procedures.
8. Management will keep informed about changes occurring in the field by attending meetings, holding memberships, attending trainings, and reading financial information.

TRAVEL AND BUSINESS ENTERTAINMENT

Business trips outside of daily operations must be pre-approved by the Executive Director. As a non-profit organization it is expected that the employee and/or Board member make every effort to have minimal costs; i.e. use standard room, coach airfare, small car rental, etc. LADD will not cover additional travel with a spouse/significant other. The cost of a shared hotel room need not be allocated between employee/director and spouse/partner for purposes of this policy. At the conclusion of a LADD business trip an employee will follow the LADD Travel and Business Entertainment policy/form or member of the Board of Directors that has incurred business-related expenses must submit a Report in accordance with the following procedure:

- Identify each separately incurred business expense (i.e. do not group all expenses associated with one trip together).
- With the exception of tips, tolls and reimbursed mileage, all business expenses must be supported with invoices/receipts.
- For all lodging and any expenditure other than meals, vendor receipts/invoices must be submitted.

- For airfare, airline-issued receipts should be obtained. If a traveler fails to obtain a receipt, other evidence must be submitted indicating that a trip was taken and the amount paid (for example, a combination of an itinerary, a credit card receipt, and boarding passes).
- Mileage may be reimbursed at LADD rates currently in effect.
- The business purpose of each trip must be adequately explained on each report.
- Project/function codes must be identified for all expenditures.
- All expense reports must be signed and dated by the employee.
- All expense reports must be approved by the Executive Director prior to payment.

