

Franklin County Natural Resources Conservation District

Financial Policies and Procedures

1. Purpose

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

2. Approval and Amendment

These policies and procedures shall be approved by the Franklin County Natural Resources Conservation District's Board of Supervisors and may be amended by vote of the Board at any time.

3. Standards

The District's bookkeeping and accounting activities shall be carried out in accordance with Generally Accepted Accounting Practices (GAAP.) 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 and Accountant if applicable. The budget is tied to the District's Annual Work Plan and includes information regarding:

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

Expense compared to the budget is reviewed regularly by the Board of Supervisors. Expenses including purchase of goods and services shall be obtained following the District's updated Procurement Policy.

5. Contractual Obligations

The Board of Supervisors shall approve contractual obligations exceeding \$10,000. This includes grants and contracts received and awarded. In lieu of a full Board vote, the Board Treasurer may approve contractual obligations between \$10,000 and \$150,000 with a report out back to the rest of the Board at the next monthly meeting. The District Manager may approve contractual obligations up to \$10,000. The District Manager may also approve contract amendments up to \$10,000.

6. Employment Obligations

The Board of Supervisors shall approve the hire of all employees, including hourly wage, benefits, and average number of hours per week. Other employment practices and procedures shall be approved by the Board annually via the District's Personnel Policy.

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. If applicable, a contracted accountant may also have signatory authority. Transfers between bank accounts may be made by the District Manager or Accountant 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 account signatories. Documentation shall be kept regarding the source and purpose of the income. Copies of checks deposited shall be retained in digital form on the District's server.

9. Payment Authorizations

The District Manager may authorize payments within the approved budget, except payments to themselves, which shall be approved by the Board Treasurer or designee. Payroll payments are approved by the Board through their approval of employment terms and do not require individual authorization, but payroll records may be reviewed by the Board at any time.

Documentation of payments made (including checks written, invoices, timesheets, and receipts) shall be retained electronically via QuickBooks Online or another means by which such documentation is easily connected with the transaction. Documentation of authorizations for payments requiring Treasurer or Board approval shall be retained electronically via QuickBooks Online or another means by which such documentation is easily connected with the transaction.

10. Financial Reporting and Review

The District Manager shall provide a financial report at each meeting of the Board of Supervisors. The report shall include information regarding income and deposits, unpaid obligations, and account balances. This information shall be provided in the form of Profit and Loss by Month and Balance Sheet, and Check Register reports for the reporting period as well as the previous periods of the fiscal year.

Bank and investment account statements, bank reconciliation reports, and other financial reports or documentation shall be provided to members of the Board for review upon request.

The District shall have an independent review or audit of its finances conducted regularly as resources permit.

Amended and approved by the Franklin County Natural Resources Conservation District's Board of Supervisors on September 27, 2022.