

PERSONNEL POLICIES AND PRACTICES
Adopted as BOARD POLICY on November 5, 1997

INTRODUCTION

The following personnel policies and practices are established in order to serve the best interests of both the employer and employee. These policies serve as a framework within which sound working relationships can be developed between the two parties.

In this document the term "staff" shall mean all volunteer and paid staff. "Employees" shall mean all paid members of the staff. "Program employees" shall mean all employees except the Director. The Executive Director is the Chief Executive Officer. The Executive Committee is comprised of the Officers of the Board of Directors.

These policies and practices shall not be construed to be a contract.

I. EMPLOYMENT

The Executive Director is ultimately responsible for the employment and termination of all staff.

A. HIRING

XXXX's employment policy is based on an Affirmative Action Plan that is available for review by any job applicant.

There will be no discrimination in hiring practices with regard to age, color, sex, race, creed, handicap, marital status, national origin, ancestry, sexual orientation, arrest record or conviction record, unless such a qualification genuinely pertains to an applicant's ability to perform the job properly. Hiring practices shall be in accordance with Federal, State and local regulations per Title VII of the U.S. Civil Rights Act of October, 1964 and subsequent revisions.

A written application must be submitted for consideration of employment.

B. EMPLOYEE VACANCIES

In filling a vacant employee position, XXXX will notify all staff of the vacancy. Consideration will be given to qualified staff members who are interested in applying for the vacant position. XXXX shall provide each applicant with a complete up-to-date job description, upon request.

C. SUPERVISION

1. The Executive Director is the immediate supervisor of all staff and employees.
2. The Board of Directors is the immediate supervisor of the Executive Director.

D. ORIENTATION PERIOD

1. Each employee shall serve a two month orientation period.
2. Upon completion of the orientation period, the Executive Director shall conduct a performance review.
3. Holidays and sick leave will be paid during the orientation period.

E. EMPLOYMENT RECORDS

1. All program employees shall maintain a permanent record showing hours worked. These records shall be standardized. Each program employee's record shall be reviewed and approved by the Executive Director at least monthly.
2. The Executive Director shall complete a performance review for all employees at the completion of the orientation period, and annually thereafter.
3. In all cases, the review shall be discussed with the employee, who shall receive a copy of the written review. The employee shall have the opportunity to respond to the performance review in writing. All reviews and employee responses shall be included in the employee's permanent record.

F. EMPLOYMENT STATUS

1. Date of hire shall be the date on which the employee is first employed by XXXX.
2. A full-time employee is one who is regularly scheduled to work 40 hours or more per week.
3. A part-time employee is one who is regularly scheduled to work less than 40 hours per week.
4. A limited term employee (LTE) is one who is hired with specific grant, gift or fee-based funds, and his/her employment corresponds with the funding term. LTE's are not eligible for benefits (vacation, paid holidays, sick leave) beyond hourly wages.

II. WORK RULES

A. HOURS

1. Employee work schedules may vary from office hours.
2. Employees are entitled to an unpaid lunch break as mutually agreed upon with Executive Director and a maximum of one 15-minute paid break per four hours of work.
3. The Executive Director will declare "weather days" as required. Employees are eligible for two snow days annually. Any time in excess of the two days shall be made up or employee will use accrued vacation.
4. Employees who elect to tutor shall tutor on a volunteer basis.

B. SAFETY

Each employee has a personal responsibility to work safely and to report any unsafe conditions or practices. Any staff person involved in a job related accident or injury, no matter how minor, must **immediately** report details of the accident to the Executive Director. Failure to do so makes that individual subject to disciplinary action. All staff members working at outreach sites are expected to familiarize themselves with fire alarms, evacuation rules and other pertinent emergency procedures, and to communicate that information to volunteers and clients using the facility.

C. STAFF EXPENSES

Persons designated to represent the Council at meetings, workshops, Conferences, or training sessions can have expenses reimbursed according to the following procedures:

1. Prior approval from the Executive Director is required for attendance at workshops, conferences and training sessions. The request shall include information on the program, time away from work, and estimate of expenses. Approval will be based on XXXX's ability to reimburse expenses.

2. An advance for expenses may be requested. The request shall include estimated cost of travel, lodging and meals. All receipts shall be presented to the Executive Director for approval following the activity. Any overpayment shall be returned
3. For expenses incurred, receipts shall be presented to the Executive Director for approval and reimbursement.
4. All approved travel shall be reimbursed at the rate of 58¢ per mile, **effective 1/1/19.**
5. For expenses incurred requiring overnight travel to a conference or workshop, the allowable rate for lodging shall be the lowest per person occupancy room rate available.

D. DISCIPLINARY ACTION

The Executive Director has the responsibility for initiating corrective action in a fair and consistent manner. **THIS REQUIRES PROPER DOCUMENTATION.**

1. Minor infractions are those that violate XXXX rules and may harm the individual staff member, but do not pose an immediate threat to the well-being of the organization. Major infractions are those that violate XXXX rules and impact not only the individual staff member, but also his/her fellow workers.
2. For any infraction, all facts and circumstances should be looked at before deciding what action is to be taken. Each successive step shall be documented in the staff member's personnel file:
 - Step 1. Verbal warning, including:
 - a. Reason for issuing the warning
 - b. Corrective action to be taken
 - c. Possible further disciplinary action if additional infractions occur
 - Step 2. Written warning, discussion, and possible probationary period:
Written warning shall include details summarized above.
 - Step 3. As a result of continued infractions, the Executive Director may suspend an employee without pay, for up to five working days, with possible probation or termination, dependent on the facts and seriousness of the offense.
3. When it is deemed by the Executive Director that the offense is of such a nature that the above procedures would not be appropriate, a staff person may be suspended or terminated immediately.

E. GRIEVANCE PROCESS

1. When a situation arises which leads to a complaint or grievance, the staff person shall first discuss the problem with the Executive Director. It is desirable that most differences be resolved at this level.
2. Should a complaint arise which cannot be settled with the Executive Director, the staff person may submit a written statement of grievance to the Executive Committee.
 - a. The Executive Committee will review the situation. During the review, the complainant and the Executive Director shall be present to provide information on their actions in regard to the complaint. The Executive Committee will then discuss the issue in closed session with neither present. The Executive Committee will affirm or overrule the Executive Director's action.
 - b. The final decision of the Executive Committee shall be reported to the Executive Director for implementation.

- c. The nature of the Committee's work is confidential and the Executive Committee is responsible, through its chairperson, to the Board of Directors. Complaints should be handled on a timely basis and with an attitude of mutual respect.

F. TERMINATION

1. VOLUNTARY TERMINATION

- a. All staff persons are requested to give written notice to the Executive Director at least two weeks in advance of the termination date.
- b. Employees will receive payment for vacation time accrued through the date of separation.

2. INVOLUNTARY TERMINATION

- a. Staff may be subject to termination as a result of disciplinary action. Discharge may result from a violation of rules or the inability to perform a job satisfactorily.
- b. The employee will be required to leave the premises immediately.
- c. Severance pay may be offered to an employee.
- d. Employees will receive payment for vacation time accrued through the date of termination.

III. COMPENSATION AND BENEFITS

A. WAGE ADJUSTMENTS

1. A minimum wage/salary level shall be set for each employee. Increases will be considered each year as the budget permits.
2. Wage adjustments become effective January 1 of each year.

B. PAY DAY

Employees shall be paid bi-weekly.

C. COMPENSATORY TIME

The normal work week is 15 to 40 hours. Any time accumulated over the normal work hours will be compensated with time off on a one-hour-for-one-hour basis. Compensatory time must be used within thirty (30) days of the date earned: a full-time person may accumulate no more than twenty (24) hours within one month's time, and a part-time person no more than twelve (12) hours within one month's time. It is desirable that compensatory time be taken as soon as possible after it is accumulated, within the limits set forth.

D. PAID HOLIDAYS

1. The following paid holidays shall be observed: Good Friday, Memorial Day, July 4, Labor Day, Thanksgiving Day, the day after Thanksgiving Day, and the week of December 25 through January 1.
2. Holidays that fall on Saturday or Sunday will be observed on the closest working day, or the federally designated day.
3. Full-time employees will receive full pay for all observed holidays.
4. Part-time employees will receive prorated pay for holidays.

E. VACATION

1. Employees earn paid vacation time effective on their anniversary date during the first year of employment. After this time, vacation is accrued annually, beginning January 1, as follows:

Full time: First year - 1 week
 Second year - 2 weeks
 Seventh year - 3 weeks
 Twelfth year - 4 weeks

Part time: Same length of service schedule as full-time employees, prorated according to the employees scheduled hours worked per week.

2. Vacation time accrues from date of hire. However, employees may take vacation time only after having completed the orientation period.
3. The Council will prorate and pay vacation time earned, but not taken, at the termination of employment. Upon termination, XXXX will deduct from wages due any vacation time used, but not earned.
4. The maximum amount of vacation that may be carried over into the following year is one-half of the annual accrual rate.

F. PERSONAL TIME OFF

A maximum of sixteen (16) hours paid personal time off may be granted to all full-time employees within a calendar year. Personal time off hours cannot be accumulated nor carried forward to the next calendar year. Part-time employees are not eligible for paid personal time off.

G. FUNERAL LEAVE

A maximum of three (3) days leave, with pay, may be taken in the event of a death in the immediate family. Immediate family is defined as: parent, spouse, child, parent-in-law, brother, sister, brother or sister-in-law, step-parent, step-child, step-brother or sister, any generation of grandparent.

H. JURY DUTY

Employees called for jury duty or as a witness in a court case shall receive compensation for time lost from work, less the amount of any reimbursement received for such service.

I. SICK LEAVE

1. Full-time employees are eligible for a maximum of 64 hours paid sick leave per calendar year. Part-time employees are eligible for paid sick leave on a prorated basis.
2. Sick leave for part-time employees cannot be accrued nor carried forward beyond the beyond the current calendar year.
3. Full-time employees may carry sick leave forward and accrue a maximum of 60 days.
4. A medical statement signed by an attending physician will be required for periods of absence more than three days.
5. Abuse of sick leave may be cause for disciplinary action.

J. CHILD CARE LEAVE

1. Child care leave is defined as time off granted as a result of maternity, paternity, or adoption of a child.
2. An employee who has completed one year of employment is eligible for a maximum of six weeks child care leave
3. Full time employees are eligible for paid leave.
4. Part-time employees are not eligible for paid leave but may apply accumulated vacation and/or sick leave time to child care leave time.
5. The employee must give notice to the Executive Director at least 90 days in advance of requested leave, if possible.

K. LEAVE WITHOUT PAY

1. Any employee who has completed his/her orientation period is eligible for leave without pay.
2. Leave without pay may be granted for a maximum of two weeks without prejudice to employment status, with the approval of the Executive Director.
3. A request for leave in excess of two weeks shall be treated as a leave of absence.

L. LEAVE OF ABSENCE

1. A leave of absence without pay may be granted to an employee with the approval of the Executive Director.
2. The duration and special conditions of the leave shall be set down in writing prior to the start of the leave.
3. Factors to be considered when granting the leave are:
 - a. purpose of leave
 - b. effect on the operation of XXXX
 - c. freedom from disciplinary action
 - d. length of service
4. Failure by an employee to return to work on the pre-determined date or to secure an approved extension of the leave may result in termination of employment.
5. No benefits shall accrue while an employee is on a leave of absence.
6. Every effort will be made to return the employee to his/her former position or like position with similar pay. There is no assumed guarantee unless agreed to in writing prior to leave of absence.

IV. EXCEPTIONS

Any exception to these policies shall be referred to the Executive Director. The Executive Director shall review the exception and submit recommendations to the Executive Committee for approval.

A. LEAVE OF ABSENCE

V. CHANGES

- A. The Executive Director and the Executive Committee shall review these policies as necessary, and recommend any appropriate changes to the Board of Directors.
- B. Employees shall be notified of changes in these policies prior to their implementation.
- C. Any changes in these policies shall be accompanied by an effective date for current employees.
- D. Any changes in these policies shall be effective immediately for all persons hired after the after the date of approval.

VI. EFFECTIVE DATE

Effective date that these policies shall apply to current employees is November 5, 1997.

VII. DATE LAST REVIEWED BY EXECUTIVE COMMITTEE

May 4, 2005

FINANCIAL POLICIES

PROCUREMENT POLICY

PURPOSE: To provide a method by which purchases can be made for the XXX organization.

ATTACHMENT: Purchase Order

1. Designated Staff shall use purchase orders whenever possible to purchase goods and services. The purchase orders will be pre-numbered. Purchase orders (POs) shall be completely filled out and approved by the Executive Director and/or Board of Directors prior to the purchase. POs are obtained from the Executive Director or designated staff person.
2. Use of POs shall be recorded in a computer generated PO Log at the time they are initiated. The computer log will contain the number of the PO, the date the PO is issued, the name of the staff person requesting the PO, and the vendor. If a purchase order is void after issuance it will be so noted in the log.
3. Purchases less than \$100.00 shall be made at the discretion of the Executive Director.

When quotes are required, they shall be documented and attached to the purchase order when applicable. The quotations shall include:

The potential vendor's name & address, description & necessity of purchase, estimated cost and amount not to exceed, payment terms and date of delivery.

The Treasurer and President of XXX shall approve purchases over \$100 dollars and not exceeding \$500. Purchases over than \$500.00 shall be reviewed and approved by the full Board of Directors, or a designated committee of the Board. Such items may be approved in the budget process and must indicate payment allocated from grant or general funds.

All approvals for purchase shall be voted on at the monthly Directors meeting. The exception to this rule is necessity due to non-meetings, scheduled meeting that have previously occurred for the current month. These will be e-mailed to all Board of Directors and voted per the By-Laws of majority votes by e-mail. Reference "Organizational By-Laws" Article VI section 5 & 6.

4. The purchase order shall be filled out completely indicating the specific program to be charged in the account and fund section of the PO. The purchase order shall indicate purpose of purchase in the notes/remarks section of the po. The Executive Director shall review each purchase order for reasonableness; necessity of purchase, and to ensure the purchase amount is within budget. After review, the Executive Director shall approve and forward to the Treasurer, President or Board of Directors as appropriate.
5. Upon full approval, the purchase order shall be forwarded to the vendor and the XXX organization will retain a copy. Designated staff shall be responsible for ensuring that the item is received and documenting receipt on the packing slip, invoice or PO. Upon verification of receipt, the copy of the purchase order shall be filed in the prospective "Open Accounts Payable" file to be attached to the invoice when it is received.

ACCOUNTS PAYABLE POLICY

PURPOSE: To provide a procedure to insure all invoices are properly authorized for payment and are charged to the appropriate accounts.

ATTACHMENT: None

1. The Executive Director will indicate on each invoice, the account(s) to which the expense is to be charged or whether it is to be allocated, initial and date to be paid. Verification of receipt (purchase order) will be attached to the invoice.
2. The XXX will pay from Invoices and not from Statements. "Statements" summarize all invoices issued in prior months and during the current month indicating past due amounts. Statements should be utilized to verify receipt and payment of invoices listed, and not as the basis for payment due.
3. After approval, all invoices are faxed to the Accounting Services for XXX.
4. The Accounting Services will process checks for invoices designated by the Executive Director for payment. However all checks generated require signature of the Treasurer as well as the Executive Director.
5. The Accounting Service will review each invoice, verify the fund source and receipt documentation, and assign the expense period according to the Executive Directors indication, but within required payment deadlines. Scheduling will be made to take advantage of any cash discounts being offered
6. To maximize efficiency and keep costs at minimum, accounts payable checks will be processed twice a month, at the same time payroll checks are processed (15th & 30th respectively). Additional checks may be issued at the Director, Treasurer, or President's request.
7. The XXX is exempt from sales tax. If sales tax is billed, the sales tax will be deducted from the invoice, and a copy of the tax-exempt status shall be mailed with the check.
8. All checks generated for payment require two (2) signatures. The Treasurer and Executive Director are authorized check signers.
9. All checks must have two (2) signatures. A third (3) person designated from the Finance Committee that will be noted at XXX's Financial Institution as a signer in the absence of the Treasurer or Executive Director.
10. The Accounting Service will process accounts payable checks and mail to the Treasurer of XXX. The checks will be signed by the Treasurer and forwarded to the Director for his/her signature. Time lapse between receipt of checks by the Treasurer and receipt to the Executive Director shall be 2 business days.

11. The Executive Director disburses payment of Accounts Payable checks. Each check is mailed with the remittance stub and tax-exempt status (if applicable) to the vendor. The Treasurer for XXX may disburse payments in the absence of the Director.
12. The check number and the date are indicated on the invoice/source documentation for the invoice and filed in the appropriate vendor folder; most current paid first.
13. All payments due to vendors will be recorded on the cash flow projection with the due date and estimated pay date and remain on the cash flow projection until payment has been processed.

CASH RECEIPTS POLICY

PURPOSE: To provide a procedure for depositing cash receipts when they are received.

ATTACHMENT: Deposit Summary Log

1. When the designated staff member opens the mail, any cash receipts received are stamped with the date received and forwarded to the Executive Director. Cash receipts from other sources are forwarded to the Executive Director as they are received.
2. The Executive Director will endorse checks "For Deposit Only." The cash receipts are recorded on the deposit summary log. The Executive Director reviews the Cash Receipts and Deposit Summary Log for completeness and accuracy of account code assignment prior to faxing to the Accounting Service. The items for deposit are then totaled and the total is recorded on the next line of the log.
3. The checks and summary are placed in the bank bag, in a locked file cabinet until the Executive Director or his/her designated staff deposits them into the appropriate account at the bank
4. The Executive Director deposits cash receipts directly to the appropriate bank account at XXXX Bank of XXX organization on a daily basis.
5. A copy of the deposit log and the deposit ticket from the bank is faxed to the Accounting Service on the next business day.
6. The Accounting Service will record the cash receipts into the XXX financial records and the cash flow projection to be forwarded to the Treasurer and Executive Director for the next Board of Directors meeting.

PETTY CASH POLICY

PURPOSE: To provide a procedure for managing petty cash.

ATTACHMENT: Petty Cash Summary

- 1 The amount deemed as “Petty Cash” shall be determined by the Executive Director and all purchases must be pre-approved by him/her. Petty cash purchases are made for items of ten dollars (\$10.) or under. Reference: XXX “Personnel Policies and Practices” - - *Petty Cash*.
- 2 Tax-exempt certification must be used when applicable.
- 3 Petty Cash shall be kept in a locked file cabinet. Access to petty cash shall be limited to the Executive Director and his/her appointed staff member and the XXX Treasurer.
- 4 When the Executive Director/designated person receives money for petty cash items or disburses money from the petty cash fund, it shall be recorded on the Petty Cash Summary indicating the reason for money being received or disbursed and the receipt for that purchase. All transaction recorded will be initialed by the designated XXX person for money received or disbursement. **(NOTE: FORM MUST BE REDONE TO ADEQUATELY ACCOUNT for STUDENT PURCHASES OF BOOKS/NOTEBOOKS and quantity, ETC AND DISBURSEMENT FOR SUPPLIES BY XXX.)**
- 5 Any excess petty cash is deposited in the bank in accordance with the XXX cash receipts policy. Excess cash shall be an amount that is \$10 over the normal petty cash balance. Reference: “XXX Organizational By-Laws,” Article X, section 2 & 3. Petty cash shall be counted weekly and the balance recorded on the Petty Cash Summary and initialed by the staffperson.
- 6 Petty cash is reimbursed with a check to Petty Cash generated by the appointed Accounting Services for XXX. Reimbursement must be approved by the Treasurer and accompanied with a pre-numbered purchase requisition with explanation of requirement.
- 7 Petty cash shall be audited once a month by the Treasurer of XXX and approved by the President. Petty cash audit files are kept in a designated cabinet at the XXX office.

TRAVEL AND EXPENSE POLICY

PURPOSE: To provide a method to claim reimbursement for allowable travel and expenses.

ATTACHMENT: Expense Statement

- 1 Staff will fill out one (1) expense statement per month to claim reimbursement for work related mileage and travel expenses. Mileage will not include commute from home to work. Reference: Personnel Policies and Practices “Expense Reimbursement,” Provision of beverages, etc and Mileage reimbursement.
- 2 Mileage reimbursement for the use of employee’s personal vehicle in the performance of his/her duties shall be paid at the established rate from the IRS. Mileage claimed will not include the distance from home to work.
- 3 Expense Statements for staff will be reviewed and approved by the Executive Director. The Expense Statement for the Executive Director will be reviewed and approved by the Board President. If the Board President is unavailable, the Board Vice President, or other Board officer will make the approval/disapproval decision.
- 4 Approved Expense Statements will be forwarded to the Accounting Service for reimbursement in accordance with accounts payable procedures.
- 5 Conferences and other trips further than 100 miles one (1) way from the XXX office require prior authorization by the Executive Director. The Executive Director’s travel request further than 100 miles (1) way will require approval by a quorum of the Board of Directors.

PAYROLL POLICY

PURPOSE: To provide a procedure for the XXX payroll.

ATTACHMENT: Employee Status Change Form
Timesheet
W-4 Withholding Certificate
I-9 Form
WI WT-4 Form
Direct Deposit Form

REFERENCE: Personnel Policies and Practices, XXX Organization

1. Hiring

- a. The XXX Board hires the Executive Director.
- b. The Executive Director hires all other employees.
- c. An Employee Status Change Form will be completed and signed by the Executive Director for all new hires, changes in pay, transfers, promotions, resignations, or other personnel actions. An Employee Status Change Form for the Executive Director will be completed based on the action of the XXX Board, as documented in the XXX approved Meeting Minutes. The original of the Employee Status Change Form is placed in the Personnel File and a copy is forwarded to the Accounting Services for payroll action.
- d. The Executive Director will ensure that each employee completes a W-4 Withholding Certificate, I-9 Form, WI WT-4 Form and Direct Deposit Form. The originals of these forms are placed in the Personnel File and copies are forwarded to the Accounting Services for payroll action.

2. Payroll Payment

- a. Each employee shall complete a timesheet after each day worked.
- b. Employees will report hours twice a month, on the 15th (1st through 15th) and the 30th/31st (16th through 31st) of each month.
- c. The Executive Director or their designee shall forward time sheets to the Accounting Services, within one (1) day of the end of the payroll period.
- d. The Accounting Service will process checks for timesheets received by the 1st and the 16th of the month, respectively. Direct deposit amounts will be deposited into employees' accounts on the 15th and 30th/31st of each month.

- e.
- f. Time sheets for vacation taken may be completed prior to the vacation being taken. Completed and signed Timesheets shall be turned into the Executive Director on the last day the employee works during the payroll period.

3. Withholding

- a. Federal income tax, Medicare, FICA and Unemployment tax will be deposited in accordance with IRS policy. The Accounting Service will prepare a check for the payment of these taxes and forward it to the Treasurer/Executive Director in accordance with accounts payable policies. The Executive Director is responsible for the timely deposit of the tax payment check to the First National Bank. The tax payment is due the 15th of the month following the activity.
- b. Wisconsin income taxes will be deposited at the end of each month, for activity during the preceding month, with the Wisconsin Department of Revenue. The Accounting Service will prepare a check for the payment of these taxes and forward it to the Treasurer/ Executive Director in accordance with accounts payable policies. The Executive Director is responsible for the timely mailing of the tax payment check, by the end of the month. The tax payment is required to be postmarked by the last calendar day of the month following the activity.
- c. Wisconsin unemployment tax for employers currently requires electronic deposit of this tax and reporting on a quarterly basis. The Accounting Services will work with the Treasurer/Executive Director to ensure wages reports filed and taxes are paid no later than April 30, July 31, October 31 and January 31 for the previous quarter.

4. Tax Reports

- a. Federal
 - 1. The quarterly report is completed by the Accounting Service and forwarded to the Treasurer/Executive Director in order to meet the following deadlines.
 - 2. The Employer's Quarterly Federal Tax Return is required to be filed on the following schedule:

<u>Quarter Ending</u>	<u>Due Date</u>
March 31	April 30
June 30	July 31
September 30	October 31
December 31	January 31

3. W2 Forms reporting wages paid and taxes withheld for the calendar year are required to be delivered to employees by January 31. The Accounting Service will prepare the W2s and forward them to the Executive Director for distribution by January 31st.
 4. Copy A of the W-2 Forms will be prepared, by the Accounting Service, for submission to the Social Security Administration signed by the Executive Director, along with Form W-3, Transmittal of Income and Tax Statements, by the last day of February.
- b. Wisconsin
1. Form WT-6 is prepared by the Accounting Service to report monthly Wisconsin taxes withheld. The remittance of withheld taxes is mailed with the form.
 2. Form WT-7 (Annual Reconciliation) is due January 31. W-2 forms Copy 1, are attached. Forms and instructions are provided by the State.
- c. These forms are standard governmental issue and provided to the XXX by the Federal or State Government.

ASSETS AND DONATIONS POLICY

PURPOSE: To establish policies related to the management of property and maintenance of inventory.

ATTACHMENT: Example of Asset Listing

REFERENCE: Finance Policies, XXX Organization

GENERAL

1. Personal or real property procured with XXX funds or transferred from programs designated for the sole usage of XXX must be used for those purposes authorized as such usage.
2. All such property must be properly maintained to keep it in good condition and safeguarded from loss, theft or damage.
3. Prior Board of Directors approval is required for purchases or lease-purchase of non-expendable personal property with a unit acquisition cost of \$500 or more. Reference "Procurement" in the Finance Policies.
4. Donations in kind, services and property shall be recorded by the Finance Committee and maintained by the Accounting Service.
 - A. All donations in kind or services shall be recorded with a valuation of such donations in kind or services, determined by the current price of the donation or service.
5. Disposal of donated material or items shall be at the discretion of the Executive Director; however the disposal shall be communicated to the Finance Committee for updating of the files and the Auditing Service.

Property Control

1. The useful life expectancy of a fixed asset greater than one year and a cost of more than \$1,000 will be capitalized.
2. The useful life expectancy of a donated asset greater than one year and a cost of more than \$1,000 fair market value will be capitalized.
 - A. All donations with a fair market value of \$500 or greater will be recorded and maintained by the Finance Committee and forwarded to the Accounting Service for donation in kind purposes as well as recording assets obtained.
 - B. All materials donations will be recorded by the Finance Committee and forwarded to the Accounting Service for recording of donations in kind.
3. A property inventory register will be generated and maintained by the Accounting Service. Purchases will be added to the inventory upon receipt or payment of such goods.

4. The inventory register will include all items with a unit acquisition price of \$1,000 or more.

5. The inventory register will contain the following information:

Description of the property

Serial number/model number

Inventory tag

Dated received

Acquisition source

Program or grant under which the purchase was made

Name of the holder

Location of the property

Condition of the property

6. Identification tags will be attached to all property on the register. Property tags are to be attached in an area as easily accessible as possible, but out of sight. Property tags will be numbered in a six digit sequence

XX= program year, XX= program month and XX= consecutive numbering beginning with 1.

7. An inventory will be conducted by the Finance Committee every 2 years.

A. Missing property must be located and noted in the inventory register if destroyed or donated.

Audit of Assets

1. The Finance Committee will be responsible for the physical property inventory audit and may designate others to assist as required.

2. Obtain property inventory register from the Accounting Service prior to beginning of audit. This list should include the donated assets.

3. A property inventory sheet will be used to record inventory id, description of property, model or serial no, condition of asset and the date verified.

A. Locate and verify the inventory id tag for all the property being audited.

B. Record all information required on the inventory sheet. The donated items should be recorded separately from the other assets. Separate listing will insure differential between purchased and donated.

C. Record changes in condition of all items audited.

D. Inventory tags that have be removed or fallen off the item being audited will be replaced utilizing the same initial number.

E. Completed forms should be dated and forwarded to the Auditing Firm, retaining a copy for XXX.

4. At the time of the audit, and items that are obsolete, broken and not repairable or are not utilized should be disposed of and recorded as such.

