**United Way of Northeast Kentucky, Inc.**

**Disbursement Cycle Policies**

**Updated November 2020**

The purpose of the policy is to outline specific requirements, actions and procedures for the receipt, bookkeeping, accounting and payment process for UWNEK. The date at the top of this form will reflect the most recent amendments and/or alterations made to the policy. This policy should accompany the corporation’s By-Laws. Any and all questions regarding this policy should be directed to the most current UWNEK Treasurer of the Board of Directors, listed at the end of this documented.

**Disbursement Cycle Volunteers:**

Organizational volunteers involved in the disbursement cycle must be approved in advance by the Treasurer of the board of directors or appointed member of the finance committee.

**Cash and Check Receipt (not by mail):**

At times, employees and board members will be given checks or cash donations, sponsorships, event receipts and other forms of cash or checks that are not a regular part of the donor process (via payroll deduction, mail receipt, etc.). In this event, great care should be taken by the receiver of cash or checks outside of the UWNEK office. Every attempt should be made to ensure that cash and checks are accounted for both to the donor/deliverer and the receiver.

* Cash and/or checks received by drop-off to the office, an employee outside of the office, or other means shall be stored in a fire-proof safe maintained in the finance office.
  + A key to the safe is maintained in a locked file cabinet within the finance office
* Cash and/or checks received may be held in the safe until the next regular deposit, however:
  + Cash and/or checks received by an employee, the office or an event should be deposited within one (1) business day if totaling over $3,000.00.
* Cash received should be counted in the presence of the donor or deliverer for accuracy
* A receipt or form of a receipt shall be made or given to the donor or deliverer at the time of receipt that includes the signatures of both the receiver and the donor/deliverer

**Invoice Approval and Payment:**

The policy for reviewing, approving and paying invoices, employee or board member reimbursement includes:

* Invoices and reimbursement requests are reviewed by the executive director for approval prior to issuing payment
  + Executive director reimbursements are approved by an approved member of the executive committee prior to issuing payment
  + Employee travel and/or purchases are approved by the executive director or appointee in the director’s absence

**Unbudgeted Purchases:**

All unbudgeted purchases made by UWNEK require written or electronic approval by the executive director and/or a member of the executive committee of the board of directors in advance of purchase.

**Check Printing and Signatures:**

* Checks are printed by the director of finance or approved member of the finance committee for approved invoices and reimbursements
* Authorized check signers are: Matt Fultz (treasurer of the board), Libbi Singleton (vice president) and Jon Ulincy (board president)
* Checks exceeding $3,000.00 require two approved signatures
* Checks presented for signature to an approved signer must include an original invoice and or reimbursement request form approved by the executive director or appointee of the director in her absence
  + Reimbursement requests from the executive director must be approved by an executive committee leader (president, vice president or treasurer)
* Hard copies of checks are retained at UWNEK office for seven years
* Signed checks, along with invoices, shall be mailed within (3) business days of signature
* Reimbursements shall be given or mailed to staff within (3) business days of signature, unless otherwise arranged

**General Ledger and Reconciliations:**

* The treasurer or president of the board shall appoint a member of the finance committee to review the general ledger and bank reconciliations monthly, within 30 days of receipt. The bank reconciliations shall be initialed and dated to document they have been reviewed.

**Vendor List:**

* There is no approved vendor list, as UWNEK typically purchases from the same suppliers, unless a better price can be obtained elsewhere.
  + All vendors shall be reviewed a minimum of twice annually by the finance committee.

**Mail Retrieval:**

The policy for retrieving the mail is to ensure that the mail is obtained timely and maintains an appropriate separation of duties for the organization. The segregation assignment includes:

* Mail shall be checked/retrieved a minimum of twice per week with exception given during shortened weeks due to holidays, vacation/sick time or short staffing.
  + During busy periods, leading up to events, etc. it is encouraged that mail be picked up or checked more frequently.
* The person who obtains the mail from the post office shall be a finance committee approved volunteer, member of the organization’s staff or the board of directors.
  + This shall exclude any staff or board member responsible for logging accounting entries in QuickBooks.
* The person who opens and sorts the mail is separate from the person who obtained the mail and shall be an approved volunteer, member of the staff or board of directors.
* The person who reviews the mail and completes the deposit slip is separate from the person who opens the mail.
  + This shall be an approved volunteer, staff or member of the board.
* All bank deposit slips, checks and correspondence is electronically scanned prior to bank deposit.
  + This shall be an approved volunteer, staff or member of the board.
* Deposits are to be made a minimum of twice per week with exception given during shortened weeks due to holidays, vacation/sick time, short staffing or lack of checks for deposit.
* The person who delivers the deposit to the bank is separate from the person who will log the accounting entries into QuickBooks.
  + This shall be an approved volunteer, staff or member of the board.

**Storage of Received Checks, Cash and Blank Checks:**

* Checks received by mail, personal delivery or other means, shall be held in a locked, fireproof safe located in the finance office until the next deposit is prepared
* Blank checks are kept in locked cabinet maintained by Director of Operations and Finance. Executive Director also has a key to this cabinet.
* G/L coding is performed by Director of Operations and Finance upon entry into QuickBooks and reviewed by the treasurer or appointed member of the finance committee.
* Accruals are reviewed at period end by the Treasurer or appointed member of the finance committee for completeness and accuracy.

**Allocations and Designations Payable:**

* Annual allocations are approved by the board of directors based on the application, interview and recommendation by the Community Investment Team.
  + Special allocations for donation, sponsorship, awards or projects are approved as follows:
    - Under $1,000 – Executive Director, reported to the board
    - $1,000 - $3,000 – Executive Director and one (1) board approved check signer (member of the Executive Committee)
    - Over $3,000 – Executive Director and two (2) board approved check signers (EC members)
* ACH allocation payments are prepared quarterly and sent to Executive Director and token holding Executive Committee Member for approval.
* Once approved, they are processed by Director of Operations and Finance.
* Director of Operations and Finance checks the bank transactions online to verify transactions were processed correctly.
* Director of Operations and Finance retains digital or paper media copy.

**Adopted/Amended:**

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Treasurer, UWNEK Board of Directors Date

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Finance Committee Member, UWNEK BOD Date

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Executive Director, UWNEK Date