

Routt County Habitat for Humanity

Policy Title	Bank Account Management and Deposits
Policy Category	Banking
Version	1
Application	Banking Administration
Originating Source	Administration
Date of Last Board Approval	
Next Review Date	
Original Effective Date	August 1, 2009

PURPOSE

To establish the minimum requirements relating to daily banking administration.

SCOPE OF INFLUENCE AND IMPACT

This policy applies to all staff.

The Executive Director and Treasurer of the Board of Directors shall administer this policy.

CONSEQUENCES FOR NON-COMPLIANCE

Disciplinary action against any Employee, Board Member or other paid or unpaid staff member found to be non-compliant.

BOARD INTERACTION

Any revisions to this policy must be reviewed and approved by the Board of Directors.

POLICY AUTHORITY

Board of Directors shall have ultimate authority in the

- Revisions of policy
- Approval of any recommended changes
- Disciplinary action of Executive Director

Executive Director and/or the Treasurer of the Board of Directors, as administrators of the policy, may recommend to the Board of Directors any changes to the policy.

DEFINITIONS

Operating Bank Account – the bank account used for daily operations.

Escrow Bank Account – the bank account established solely for management of escrow accounting.

Savings Account – the bank account established for the storage of Excess Funds.

Excess Funds – Funds in excess of 3 months of operating expenses.

POLICY STATEMENT

The following procedures shall be followed in order to ensure consistent management of funds for the Affiliate.

Under no circumstances will checks be signed in blank for any Affiliate Bank Account.

All Escrow Bank Account disbursements shall be made by check or automatic bill pay.

All Operating Bank Account disbursements over \$100 shall be made by check, debit card, electronic, or through automatic bill pay through the Affiliate Bank Account out of the Operating Bank Account. An invoice or receipt is required for all transactions.

Cash payments will not be accepted for the payment of Monthly Mortgage Payments by Homeowners.

Debit Card Policies

Revisit the need for a limit with the board.

The Executive Director shall have sole access to the Operating Bank Account Debit Card or other board appointed individual.

Statement Reconciliation

Monthly bank statements will be required for all bank accounts.

The Executive Director shall be responsible for reconciling monthly bank statements. Discrepancies of any amount of funds between the monthly statement and current account balance that cannot be reconciled by the Executive Director shall immediately be brought to the attention of the Treasurer of the Board of Directors.

The Treasurer of the Board of Directors shall be responsible for reconciling all account discrepancies as defined above. Any discrepancy under \$1.00 may be adjusted to balance the account at the discretion of the Board Treasurer. Any discrepancy over \$1.00 that cannot be reconciled by the Board Treasurer shall be brought to the attention of the Board of Directors for resolution.

Account Audits

The Treasurer of the Board of Directors shall perform a monthly review of all account transactions in each bank account. Any discrepancies in the accounts shall be addressed with the Executive Director and reconciled in an expedient manner.

Any inappropriate actions by the Executive Director in the management of the bank accounts shall be immediately brought to the attention of the Board of Directors.

Deposits

Deposits shall be made within 3 business days of receipt.

Money shall be transferred out of the Operating Bank Account and into the Savings Account in a manner that allows the Affiliate best use of available funds without underfunding the Operating Bank Account.

All Escrow Funds shall be deposited in the Operating Account and transferred into the Escrow Account within 3 business days of receipt. Only Escrow Funds will be deposited into the Escrow Bank Account.

All money received by the Affiliate and not yet deposited shall be kept in a locked and secure cabinet located in the Affiliate office(s). The Executive Director and Treasurer of the Board of Directors shall have sole access to the locked and secure cabinet.

Bank Records Retention

All canceled and voided checks shall be kept with the bank records.

Bank records shall be kept in a locked and secure cabinet at the Affiliate Offices.

Bank records shall be kept for at least 5 years. After 5 years hard-copy bank records shall be shredded and disposed of so as not to breach the security of the accounts.

End of Policy Statement

RELATED POLICIES

Routt County HFH

- Bank Accounts and Signature Authority

FORMS REFERENCE

None