



**Chaffee County**  
Community Foundation

# Fiscal Policies & Procedures Manual

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*This document sets forth the policies and procedures under which the finances of the Chaffee County Community Foundation (CCCF) will be managed. It is the intent of CCCF, a public charity, to establish a financial management system that is simple, efficient, transparent, and meets the needs of the Internal Revenue Service, the State of Colorado, and any public or private funding source. Unless otherwise indicated, it is the responsibility of the Executive Director or his/her designee to carry out these procedures.*

*These financial procedures will follow generally accepted accounting principles.*

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# FISCAL POLICIES AND PROCEDURES MANUAL

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## I. PURPOSE OF THE MANUAL

The [Finance Committee Description](#) outlines the Roles, Responsibilities and Expectations of its Members. A primary task for the committee is the creation and maintenance of the Fiscal Policies and Procedures Manual.

This manual has been designed as a reference for staff and board of the Chaffee County Community Foundation (CCCF). CCCF was incorporated in 2006 in the state of Colorado as a nonprofit corporation. It received a Letter of Determination as a 501(c)(3) organization according to Internal Revenue Service classifications in 2018 and began operations the same year.

The manual includes fiscal policies established by the board and Executive Director, and fiscal procedures designed to implement those policies and provide simple and transparent methods to manage the organization's business affairs.

The manual will be updated periodically to reflect changes and clarifications in policies and procedures. The Finance Committee will establish appropriate procedures to be certain that copies of the manual in use are updated and outdated policies and procedures are removed.

## II. FISCAL MANAGEMENT POLICIES

### A. Generally Accepted Accounting Principles (GAAP):

Except when noted, CCCF follows Generally Accepted Accounting Principles (GAAP) for nonprofit voluntary health and welfare organizations.

### B. Accrual Accounting:

CCCF utilizes the accrual basis of accounting in which revenues are recorded in the period in which they are earned, and expenses are recorded in the period in which they are incurred, regardless of when cash is received or disbursed.

### C. Fiscal Year:

The fiscal year for CCCF will be from January 1<sup>st</sup> to December 31<sup>st</sup>.

#### **D. Equipment, Furnishings, and Real Property:**

CCCF records any purchase with a useful life of more than 1 year or more **and** cost of more than \$2,500 as an asset. Equipment with useful life under 1 year **and** cost of \$2,500 or less is recorded as an expense.

Depreciation expense and total accumulated depreciation is recorded for all equipment, furnishings, and real property owned by CCCF.

#### **E. Donated Materials, Equipment, and Services:**

CCCF records in-kind gifts of equipment as in-kind contributions, a revenue account, and as equipment, an asset account. Donated equipment is recorded at the fair market value on the date of donation. Fair market value is the price at which a willing buyer would purchase the item from a willing seller.

Donated material which does not meet the definition of equipment, or volunteer time of professionals in their professional capacity is simply recorded as "in-kind expense" and "in-kind contribution". There is no net effect of recording in-kind labor or supplies and its associated in-kind contribution income. The recording of in-kind contribution income for the value of donated equipment results in an increase in net income because the value of the donated equipment is recorded as an asset not as an expense.

#### **F. Inventory:**

At such a time when CCCF maintains a physical inventory of saleable merchandise, curriculum, or other saleable supplies, during the year, purchases of corresponding supplies, merchandise, etc. are entered to debit inventory and credit the appropriate cash account. When an inventory item is sold, the transaction debits the accounts receivable account for the sale price and credits a revenue account for the sales price. Cost of goods sold is debited for the price paid for the inventory and the inventory account is credited for the same price. If inventory items are lost, stolen, or otherwise disposed of, an entry will debit an "Inventory write-down" expense account, and credit to the inventory account.

#### **G. Fund Creation, Interfund Transfer and Donor Intent:**

New funds may be created according to the separate Fund Creation policy. Future revisions of this policy will address guidelines for allowable Interfund Transfers and adhering to Donor Intent.

## H. Restricted Funds:

Grants and contracts from grantors who restrict the use of funds are recorded in separate funds or sub funds during the year. The use of restricted gifts is linked to the purpose specified by the donor/grantor. A separate fund is established for each restricted funding source which utilizes line-item budgets. Expenses which fulfill the restrictions of the donor/grantor are recorded in that donor/grantor's fund. Separate bank accounts are not required for each restricted funding source. Internal financial statements are presented using a fund accounting format; year-end audited financial statements are presented on a Net Assets basis, using Unrestricted, Temporarily Restricted, and Permanently Restricted classes of Net Assets in accordance with FASB 117.

## I. Functional Expense:

CCCF utilizes distinct allocation methods for classifying its Operating costs between Management & General, Fundraising, and Programs. The Executive Director and Finance Committee shall review these functional expense allocations annually and adjust as needed to fairly demonstrate CCCF costs.

## J. General Ledger:

CCCF maintains a comprehensive double-entry General Ledger reflecting the complete chart of accounts and segregating costs by function and by restricted funding source requirements. All transactions MUST be balanced or they cannot be saved. The Chart of Accounts is attached herein as Appendix A.

## K. Budget:

CCCF adopts a comprehensive Operating budget for the upcoming fiscal year and estimates for two years beyond that. The budget reflects anticipated revenues from all sources and all anticipated expenses within its Operating Fund.

Upon preparation by the Executive Director, a proposed budget is reviewed by the Finance Committee, who then recommends approval to the Executive Committee and a formal vote by the full Board. Board adoption of the budget constitutes authorization for staff to incur budgeted expenses.

The Board of Directors may, at its discretion, choose to adopt a deficit budget. However, budgeted deficits are only acceptable if those deficits:

- 1) Are only for the immediately upcoming year
- 2) Are equal to or less than prior years' surplus or;

- 3) Are a fully documented investment with a reasonable expectation of future years' returns that are in line with CCCF's mission.

Fiscal year budget vs. actual reports will be reviewed on an overall level on a monthly basis as a part of the normal Board of Directors financial packet. The Board of Directors may, at its discretion, choose to pass a "Current Estimate" mid-year to modify the adopted budget if new information arises or substantial changes have or are reasonably expected to occur.

#### **L. Financial Statements:**

A month end schedule is included as Appendix D. All monthly periods will be closed in cSuite per the schedule. A separate year-end task list and schedule will be developed and included in future revisions of this manual.

The board receives at a minimum the following financial statements on a monthly basis. Unless otherwise stated, the presented financials will cover year-to-date activities through the last day of the prior month. The statements are presented to the board by the board Executive Director or the Treasurer. Statements are provided ahead of the Board meeting. Finance Committee members are designated as inquiry-only "Audit" users in CommunitySuites and have access to view statements, transactions and other reports at any time.

Accounts Payable and Accounts Receivable aging, together with all bank account balances are reviewed by the Treasurer and included as part of the monthly Finance Committee consent agenda

- 1) Profit & Loss statement showing each month as its own column;
- 2) Budget vs. Actual report;
- 3) Balance Sheet showing each Fund Group as a separate column;
- 4) Balance Sheet of Operating Reserves and any restricted funds

#### **M. Audit:**

Beginning with the 2021 tax year, the board will select an independent CPA to conduct a full audit of all funds under CCCF management. The auditor is required to present the results of the audit to the board or to a designated board committee. Following the "[Selection and Engagement of Accounting Firms: Policy](#)", the CPA firm of record will be evaluated on an annual basis at the completion of its audit and tax preparation services in order to ensure adequate service and inform future year's CPA election decisions.

The Board of Directors will appoint an ad hoc Audit Committee to oversee the annual audit. This committee shall, at a minimum, have the Board Chair, the Finance Committee Chair, and the Executive Director as members.

#### **N. Interest Bearing Accounts:**

CCCF places funds in interest bearing accounts whenever practical and permissible by funding source agreements.

#### **O. Employee Dishonesty:**

CCCF's Finance Committee will ensure that the organization's Directors and Officers insurance policy includes Employee Dishonesty coverage which covers the Executive Director and positions involved in fiscal oversight.

#### **P. Operating Reserve:**

The Board of Directors has approved the establishment of an Operating Reserve as a separately reported fund. The Executive Director is authorized to draw from the Operating Reserve as outlined in the separate Operating Reserve Policy.

#### **Q. Record Retention of Financial Records, Data Security and Privacy:**

In accordance with Federal, State, and funding contract requirements, CCCF will retain appropriate financial records as detailed in the separate [Record Retention Policy](#). All financial transaction records (documentation, receipts, invoices, check images, etc.) will be kept electronically and attached to each corresponding transaction within CCCF's accounting software. Physical copies are not required to be kept if electronic versions or scans are created and retained in accordance with the Record Retention Policy and these Fiscal Management policies and procedures.

Colorado Data Privacy Law: The Community Foundation is a covered entity and intends to be in compliance with the provisions of this law.

CCCF will:

- Protect the Personal Identifying Information (PII) of Colorado residents by implementing and maintaining "reasonable security procedures and practices that are appropriate to the nature of the personal identifying information and the nature and size of the business and its operations."
- Ensure third-party service providers (such as donor system vendors) implement and maintain reasonable security procedures.
- Develop a written policy for the destruction and proper disposal of paper or electronic documents containing PII when the documents are no longer needed.



CCCF follows a [Data Privacy Policy](#), which is posted on the Transparency page of the CCCF Website

#### **R. Annual Review:**

The Finance Committee shall conduct an annual review of this manual and the policies and procedures herein in order to ensure they meet applicable laws, regulations, audit guidance and CCCF's present operations. Changes to any part of this manual will, upon recommendation of the Finance Committee be submitted for approval via formal vote by the full Board of Directors and noted in the corresponding meeting minutes.

#### **S. Separation of Duties & Internal Controls:**

To the greatest extent possible given CCCF's staff and volunteer capacity, the following duties will be executed and/or regularly checked and reviewed by separate people as detailed in the below procedures and detailed in Appendix B. Relying on the appropriate approvals and audit trail of CCCF's accounting software will suffice to demonstrate adequate separation of duties.

- 1) Collection of the mail and entry of receipt of Accounts Receivable or Accounts Payable transactions
- 2) Entry of Accounts Receivable transactions and the depositing of funds
- 3) Approval of entries and the creation of those entries
- 4) Entry of transactions and the reconciliation of asset and liability accounts
- 5) Review of reconciliation reports and the reconciliation of asset and liability accounts
- 6) Entry of Accounts Payable transactions, approval of those transactions and paying those payables

#### **T. Accounting Software:**

CCCF currently uses the SOX-compliant, cloud-based CommunitySuite (cSuite) platform by Foundant Technologies as its accounting system. This system has been custom designed specifically for community foundations and allows for full Fund Accounting, with built in audit trails and role-based security. An Audit security role is defined and audit firms are encouraged to test transactions, run their own reports and otherwise explore the system, with navigation guidance provided by the Treasurer.

Permissions for active- user transactional roles are reviewed at least annually and may be adjusted as needed. New users are trained by the Treasurer and all users have access to a separate "Sandbox" testing environment which is a recent copy of the Production database.

Any reference to specific steps within the procedures below may use cSuite's terminology and should be subject to annual review and updating as needed.

Attached as Appendix B is a 'click-by-click' cSuite process overview for separation of duties of the creation, approval, and posting of all types of financial transactions.

### III. Bank Depository & Policies

#### A. Depository

The Executive Director, the Finance Committee and, when appropriate, the Investment Committee will designate one or more financial institutions as a depository for funds. Additional depositories may be designated as deemed appropriate.

It is the policy of CCCF to seek maximum investment potential with minimal risk to its funds. CCCF will maintain a money market account, a checking account and other interest-bearing, insured accounts. To ensure maximum investment potential, the Executive Director is authorized to transfer funds into interest-bearing accounts that are FDIC insured after Asset Rebalancing takes place as recommended by CCCF's accounting software on a monthly basis to ensure targeted asset allocations are maintained within the various asset and investment accounts.

Cash account balances are reviewed monthly by the Finance Committee and the FDIC insurance limit may be exceeded with Committee approval. Withdrawals from the investment accounts may be made in the form of transfers to the checking account or other interest-bearing accounts. All interest earnings will be deposited into CCCF's accounts and recorded in the financial records. For additional information on CCCF's investments, refer to the separate Investment Policy, if created.

#### B. Donations

All funds received to CCCF should be in line with the separate [Gift Acceptance Policy](#) and will be deposited into the appropriate account in a timely fashion, generally within two working days of receipt. Checks received will be tracked and recorded, with images attached in the cSuite system and reflected in the monthly financial reports to the Board of Directors.

Public Stock donations are sold promptly with the aid of CCCF's designated agent (Cambridge Financial Advisors), using CCCF's TD Ameritrade account. Such donations and sales are entered in cSuite using the Public Securities functionality. Public Stock donations may require 7-10 days for settlement.

It is preferred that cash donations gathered by fiscal sponsees be converted to a check by the fiscal sponsee before being deposited to the CCCF account, tagged to the appropriate fund. If

small (less than \$500 total) donations are received, they are to be counted and their deposit slip witnessed in the presence of at least two persons and deposited the same business day. See also Section IV B. Cash and Checks Received Directly.

Online donations are processed using Stripe as the cSuite integration partner. Stripe transactions auto-create a Donation record, tied to a matching Donor profile (or a system-created profile if no exact match is found). All Stripe donations are reviewed by Staff and/or the Treasurer to resolve and merge any possible duplicate Profiles. Stripe transactions auto-post, the day they are received, and move directly to the Till without intervention.

Donations may also be received through other 3<sup>rd</sup> parties such as CO Gives, Amazon Smiles or others. These require manual entry and documentation attached, showing date, donor and amount.

Assets may be reallocated into the various asset accounts on a monthly basis upon the recommendation of Asset Rebalancing in cSuite. Copies of the Asset Rebalancing Report are sent to the Finance Committee for regular review.

Thank you letters and donor acknowledgements will be created and sent within three working days of the receipt of a gift/donation (see attached donor acknowledgement workflow in Appendix C).

### **C. Other Payments (Revenue)**

Invoices are created in cSuite to record other billings for anticipated (certain) revenue, grant funding from outside CCCF, Event tickets (via "Campaigns" and other revenue-producing transactions, apart from donations. When posted, payments create Accounts Receivable which are aged and monitored by the Treasurer. When payments are received the "Payments" function is used to reduce Accounts Receivable and increase cash.

### **D. Pledges**

While Pledges are often used in nonprofit philanthropy as an indication of an INTENT to donate at some future date, pledges are generally considered as non-binding. In cSuite, use of the Pledge function creates a Pledge Receivable which is a balance sheet entry. Since unwinding an unfulfilled pledge affects the balance sheet, CCCF has elected not to use this functionality.

Instead, when a future donation is likely, CCCF creates an "Opportunity" to link a donor profile to a future date and potential donation amount(s). This record is for internal tracking only and has no impact on any financial statements. The Opportunity can be modified or deleted at any time without impact to financials.

When such a donor actually sends funds, a normal Donation is created and then “linked” to the opportunity, showing full (or partial) payment against the expected total amount. The linked Donation when posted, creates Income and increases cash on hand, affecting both the Statement of Activities and the Statement of Financial Position.

### **E. Disbursements**

All disbursements (except those using CCCF credit or debit cards, which are governed by the card’s spending limits and other expenditure type controls) will require separation of the creation of the check/electronic payment and the approval of that disbursement. To the greatest extent feasible, electronic payments will be used – either CCCF’s bank’s online BillPay system for creating and sending checks, or direct deposit ACH payments. When physical checks are used and written for over \$2,500, a minimum of two signatures is required, including the Treasurer or another Officer.

The Finance Committee will establish and maintain approved signers and disbursement approvers to ensure proper oversight and separation of duties.

## **IV. PURCHASES AND DISBURSEMENT PROCEDURES**

### **A. Purchases:**

Authorization by a supervisor is required for employees prior to all purchases. Standing authorization is given to staff for expenditures which meet the spirit and upper dollar limits of the board-adopted annual budget for the specified expense account. Employees desiring to make purchases outside the standing authorization items should put the request in writing, briefly describing the item, its cost, and the project to which it is to be charged, and give the request to the Executive Director (or to the Treasurer when the requester is the Executive Director).

Once the Executive Director or Treasurer approves the purchase, the Bookkeeper or Accountant may process the payment. Alternatively, with prior approval of the supervisor, an employee may purchase the item with her/his own funds and submit a written request for reimbursement, to the Bookkeeper or Accountant who will prepare a reimbursement check. A CCCF-provided Reimbursement Form will be used, complete with receipt(s), to document the payee, fund(s) and account(s) to be charged. Reimbursements to employees should be made on the 30<sup>th</sup> monthly.

Whenever feasible, CCCF will seek to make purchases within its service area as a means of indicating its support to the local economy. A signed, IRS W-9 form will be obtained for all new

services vendors, PRIOR to creating an initial voucher unless a written exception has been granted by the Treasurer. Upon receipt of the signed W-9, any services vendors that are not C-corporations or who otherwise are required to be provided with an IRS Form 1099-NEC or 1099-MISC will have their vendor record tagged as "Need 1099 = YES". At year end, the Treasurer will review all Vendors Paid and custom reports, then work with staff to ensure that all vendors needing a 1099-NEC or 1099-MISC form receive one timely.

Should grants or philanthropic payments be made to businesses, a 1099-MISC will be issued to that business detailing such payments. As with normal vendor payments, any business receiving a grant must provide a W-9 to CCCF prior to issuance of the payment.

### **B. Processing Invoices:**

All invoices/statements from outside vendors will be reviewed and coded to the budgeted expense account by the staff member who engaged the services, then routed to the Bookkeeper or Accountant who will create the transaction in cSuite and submit it for approval. Vouchers are monitored by the Treasurer, looking for backup documentation, receipt of W-9 for all new vendors and 1099 flag status.

Once the transaction is properly and fully approved in cSuite, the Bookkeeper or Accountant will prepare the payment within the appropriate banking platform and submit it for approval. The Bookkeeper or Accountant then completes the payment and posting of that transaction in cSuite and ensures all documentation is appropriately uploaded and attached to the cSuite transactions.

Note that payroll will NEVER be authorized for payment using a handwritten or BillPay check and ALWAYS must be processed using the process and third-party service as outlined in section VII below.

### **C. Disbursement Approvals & Check Signatures:**

The board authorizes check signers through board resolution. Paper Checks for under \$2,500 require one signature; Paper checks for over \$2,500 require two signatures, including one Officer. All online BillPay or ACH payments require an authorized signer to approve the payments, thereby creating a traceable audit log. BillPay and ACH disbursements for amounts greater than \$2,500 are reviewed by the Treasurer.

### **D. Employee Travel & Meal Expense Procedures:**

Staff members who travel for their jobs are issued a company credit card for charging their job-related meal or meeting expenses. Such expenses are to have notation as to persons and

entities incurring them as well as the meeting purpose. Personal expenses should not be charged to CCCF credit cards. CCCF will not pay for personal items or services.

Staff travel mileage, outside of any commute to a designated CCCF non-home-based office, unless done in a CCCF-owned vehicle, will always be reimbursed on a per-mile basis as demonstrated using either a written odometer log or Google Maps. Mileage reimbursement rates will match the current rate as indicated by the Internal Revenue Service. Separate gasoline costs will not be reimbursed and should not be charged to CCCF credit cards.

Paying for CCCF meetings, meals, and other meeting-related expenses is allowed using CCCF credit cards as long as it is approved under the standing (budgeted) authorization or a special authorization from the Executive Director and with documentation as noted above.

#### **E. Staff & Volunteer Reimbursements:**

Staff, board members, and volunteers are entitled to request reimbursement for pre-authorized personally paid expenditures, travel, mileage, meeting, or other costs directly related to CCCF activities. Reimbursement requests shall use the CCCF-provided Reimbursement Form spreadsheet to consolidate multiple receipts or expenditures into a single monthly request. Corresponding receipts, mileage maps, odometer logs, or other documentation should be attached to the signed Reimbursement Form, and emailed to the Executive Director (or the Treasurer when the requester is the Executive Director).

Requests for reimbursement must be made within 60 days of the expenditure.

## **V. PROCEDURES FOR RECEIPT AND DEPOSITS OF CASH AND CHECKS**

#### **A. Funds Received at the Office:**

The Executive Director identifies an employee other than the Bookkeeper or Accountant to sort mail and log all checks received in the mail prior to giving them to the Bookkeeper or Accountant. Currently, this employee is the Executive Director. All receipts should be routed through this employee. The information received with grant checks from funders, including any check stub or correspondence, is scanned and saved in a "Needs Processing" folder. Note: at year-end, envelopes showing postmark dates shall be scanned to and saved to establish if a donation may be posted to the current year or must be posted to the upcoming year.

Fund/account coding is embedded in the saved documents or saved as a separate instructions document in the same folder. The Bookkeeper or Accountant checks this folder daily and

makes the appropriate entries into cSuite ensuring all corresponding documents are uploaded and attached to each transaction. The original scans of the documents are then moved into chronologically sorted folders within CCCF's server.

#### **B. Cash and Checks Received Directly:**

Occasionally employees will be given cash or checks at meetings or events. Any checks and cash received outside the office are brought back to the office by the employee who received them and given to the Executive Director who logs them in the same way as described in Section IV A. Cash received must be counted by another employee or Board member to verify the amount. A brief explanation of the cash received and its date and source should be written into a document and saved into the Needs Processing folder.

#### **C. Bank Deposits:**

The Executive Director will prepare all bank deposits with pre-printed bank deposit slips or use mobile, online deposit documented by an image of each check. Each deposit ties out to the Till in cSuite. The Till is cleared promptly within cSuite to correspond to the bank deposits. The Treasurer verifies all deposits are properly reconciled during the monthly review of the reconciliation reports

## **VI. PROCEDURES FOR GRANT MANAGEMENT**

#### **A. Setup and Definitions**

Grants may be created manually within cSuite or (preferably) are synchronized from user's grant Requests via an online Portal, integrated from the integrated Foundant Grants Lifecycle management (GLM) software suite. Grants are either External (paid by the Grantor to a Grantee who has no fiscal relationship with CCCF) or Internal (where the Grantee may be CCCF itself or one of its fiscal sponsees).

A Grantee may be a nonprofit, a for profit entity or an individual as designated in their base Profile. A Grantee by definition is configured as a Vendor prior to receiving payments and is subject to IRS 1099-XXX reporting UNLESS it is a documented nonprofit.

#### **B. Approvals and Processing:**

Grant Requests and Grants are reviewed first by CCCF staff for completeness then scored on merit by the Grants Committee. Grantees provide profile information plus documentation

including a W-9 and must submit to a current charity status check, using GuideStar. An entities (such as Churches, Governments, Schools or other fiscal sponsees) wishing to be exempt from this check are required to have an evaluation and written authorization attached to their profile by the Treasurer.

When grants are awarded, they move through life cycle stages from Requests to Approvals, Voucher, Payment and Complete. Refer to Appendix B, Grants to see separation of duties.

### **C. Reporting**

Grant Reports may be generated within cSuite or within the GLM software. Grants in the amount of \$5,000 or greater are available for public inspection and reported in detail on the IRS Form 990, Schedule I.

## **VII. PROCEDURES FOR FISCAL SPONSORED FUNDS**

### **A. Setup and Definitions**

See Section II G. Fund Creation. For funds where CCCF is the Fiscal Sponsor, all income, receipts and expenses are managed by CCCF on behalf of the fiscal sponsee, according to a signed Fund Agreement.

### **B. Processing**

Donations are made to CCCF and tagged to the fiscal sponsee fund. Direct vouchers or reimbursements for expenses follow typical CCCF processes as described in this manual

### **C. Reporting**

Staff and/or the Treasurer produce monthly financial statements for each Fiscal Sponsor Fund and provide them to the Fund Advisors following the month end schedule. Fund Advisors are expected to review the statements and promptly advise CCCF of any discrepancies from their own records.

Financial activities relating to a Fiscal Sponsor fund are included in the IRS Form 990 as part of the CCCF annual tax return.

## **VIII. PAYROLL PROCEDURES**

### **A. Payroll Service:**



An outside Payroll Service is used to prepare paychecks, payroll tax reports, and employee payroll records. The same outside Payroll Service is responsible for the calculation, payment and filing of all applicable payroll taxes. Copies of all payroll journals, payroll tax reports, and individual payroll records must be maintained for CCCF in the Payroll Service's online portal, with appropriate pay stubs attached to paychecks in cSuite. PTO requests are also entered in advance in the Payroll Service and approved by the Executive Director (or Treasurer). The Service alerts the Treasurer to PTO days pending during the pay period.

#### **B. Pay Periods:**

CCCF utilizes a semi-monthly pay period (1<sup>st</sup> – 15<sup>th</sup>; 16<sup>th</sup> – last day of the month) for all salaried staff, and a bi-weekly pay period (Sun-Sat) for all hourly staff. Payday is within 9 calendar days of the end of the pay period.

#### **C. Processing of Timesheets:**

Each hourly employee is responsible for recording their daily hours worked in CCCF's timesheet template. Days taken off for holiday, or PTO must be recorded on the timesheet to their supervisor for approval on the last working day of the pay period. The supervisor reviews the timesheet for correct recording of hours worked and hours taken as, holiday, and PTO and initials the completed time sheet to indicate approval. Timesheets must indicate the number of hours worked by project or functional expense category. The supervisor turns in all approved timesheets to the Treasurer on the last working day of the pay period.

The Treasurer verifies the totals of hours worked and used as PTO or holiday leave on each time sheet. The Treasurer compares the PTO leave to the employee's master record of PTO leave available to verify that hours taken as paid leave were available.

Once the timesheets have been reviewed and approved, the Treasurer creates the paycheck for processing in the Payroll Service's online portal.

#### **D. Distribution of Paychecks:**

All CCCF employees are paid their wages and any cash benefits using direct deposit into a verified account directly from the Payroll Service.

#### **E. Payroll Taxes:**

The Payroll Service computes, files, and pays all federal, state, and local payroll taxes on behalf of CCCF. These amounts are paid to the taxing authorities in distinct withdrawals from CCCF's accounts at the time of each paycheck's wages withdrawal.

#### **F. Recording the Payroll Checks:**

The Treasurer records the total gross and net amount of paychecks as well as payroll tax withdrawals in cSuite associating the paychecks with the appropriate employee's Vendor profile, while associating the payroll tax withdrawals with the Payroll Service's Vendor profile. Both vouchers are entered with the date of the last day of the associated pay period.

#### **G. Benefits and Miscellaneous Payroll Payments:**

To the extent feasible, and based on calculations stemming from CCCF's Compensation Policy, benefits, stipends, and other monetary payments or garnishments to employees will be incorporated into the appropriate paycheck and executed through the Payroll Service.

#### **H. Allocation of Staff Time:**

As CCCF grows and begins to allocate staff time apart from functional expense categories, CCCF will develop an Allocation Policy that will govern how or if staff time is allocated.

## **IX. CASH MANAGEMENT**

#### **A. Operating Account:**

CCCF designates a single checking account as its primary operating account. All disbursements are made from this account. It is the responsibility of the Executive Director to ensure an adequate balance in the Operating Account to cover all currently written or executed disbursements. In general, this entails making a bi-weekly or weekly transfer of funds from savings, Money Market, or other CCCF liquid asset accounts into the Operating Account to cover known disbursements. A minimum balance of \$5,000 should be maintained in the Operating Account at all times. An email/text alert has been set in the Operating Account to monitor the Available Balance.

As guided to do so by the Finance Committee, the Executive Director will build and maintain a cashflow forecasting spreadsheet to utilize in managing adequate cashflow to meet current and future disbursement requirements.

cSuite will be utilized exclusively to manage and track daily cash balances, general ledgers, and budget vs. actual spending levels across all CCCF funds and asset accounts.

## Appendix A: Chart of Accounts

### CCCF Chart of Accounts

<b><u>Revenue Accounts</u></b>
43110 - Investment Income: Interest
43120 - Investment Income: Dividends
43130 - Security Gain/Loss Account
40010 - Contributions: General Donations
40020 - Contributions: Internal
40030 - Contributions: Founder's Circle
40050 - Contributions: Fund Donations
40070 - Contributions: In-Kind Goods or Services
40080 - Contributions: Pledged Support
41110 - Grants: Foundation
41120 - Grants: Government
41130 - Grants: Pass-through
42110 - Workshops and Events
42120 - Program Services (Other)
40040 - Admin Fees
<b><u>Expense Accounts</u></b>
50010 - Admin Fee Expense
50020 - Grant Card Expense
50050 - Interfund Transfer
50060 - Payment Processing/Credit Card Fee Expenses
50070 - Till Adjustments
53010 - Advertising and Promotion: Communications/Marketing
53020 - Office Expense and Supplies
53030 - Information Technology: Software Licenses/Support
53040 - Information Technology: Web Hosting and Design
53050 - Occupancy
54010 - Travel: Meetings
54030 - Travel: Auto Mileage
54110 - Workshops and Events
56010 - Insurance
57010 - Dues & Subscriptions
57015 - Permits and Fees
57020 - Minor Equipment and Hardware
57030 - Postage & Delivery
57040 - Printing & Copying
57060 - Telephone & Internet
59010 - In Kind Expense

50025 - Fiscal Sponsor Programs
50030 - Grant Expense
50040 - Grant Expense - Internal
50045 - Direct Program Expenses
52040 - Fees: Bank Services
52045 - Fees: Public Security Account
52050 - Fees: Other
55010 - Depreciation
55020 - Amortization
55030 - Unfulfilled Pledges
51010 - Wages
51020 - Benefits
51030 - Health Insurance
51040 - Professional Development
51050 - Other Personnel Costs
51110 - Payroll Taxes: FICA
51115 - Payroll Taxes: FUTA
51120 - Payroll Taxes: Medicare
51125 - Payroll Taxes: CO State UI
51130 - Payroll Taxes: Fed WH
51140 - Payroll Taxes: CO WH
52010 - Fees: Legal
52020 - Fees: Accounting/Audit
52030 - Fees: Investment Management
52090 - Other Consultants

## Appendix B: Definitions and Separation of Duties

### cSuite Definitions & Click-by-Click Processes for Financial Transactions

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Created February, 2021

This document is meant to ensure proper separation of duties with the cSuite environment while making the most efficient use of the system's built-in audit trail functionality and therefore not over-complicating the entry, approval, and posting of any financial transaction.

These processes should be reviewed at least annually by the Finance Committee in conjunction with the review of the overall Fiscal Management Policies & Procedures Manual.

#### **Applicable cSuite Definitions**

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##### Payment:

- For revenue – the transaction type for recording the receipt of money tied to an invoice, pledge, or split donation.
- For expense – the transaction type for recording the payment of a Voucher or Grant

Donation – the transaction type for recording any revenue received but not invoiced (i.e. single-fund donations, cash, checks, stocks, securities, in-kind services, CO Gives platform donations, Stripe donations, etc.)

Invoice – the transaction type for recording a receivable. Invoices are created for Customers.

Customer – a Profile role for any entity (individual or organization) for which CCCF is providing a service and will collect payment for those services.

Vendor – a Profile role for any entity (individual or organization) which is providing CCCF with services, products, or supplies for which CCCF will pay.

Grantee – a Profile role for any entity (individual or organization) which is receiving a Grant from CCCF or one of our Funds or sub-Funds.

Voucher – the transaction type for recording any bill or disbursement of funds out of CCCF Funds or sub-Funds. NOTE that a Voucher is the transaction type used for the payment of both Vendors and Grantees.

Posting – the process by which any transaction type is either moved to the next stage or fully finished within cSuite.

- For Donations and Payments this means the transaction is fully recorded as received. For Vouchers this means the Voucher is ready to be Paid.
- For Paid Vouchers this means the transaction is fully recorded and is ready to be reconciled.

#### **Click-by-Click Separation of Duties**

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The below table outlines all the steps required by various transaction types within cSuite.

<b>Transaction Type</b>	<b>Creation &amp; Sending for Approval</b>	<b>Approval/Posting</b>	<b>Final Posting</b>	<b>Reconciliation</b>	<b>Review &amp; Spot Check</b>
Donation	Admin. Coordinator or Bookkeeper or Stripe	Executive Director	n/a	Executive Director	Treasurer
Payment (revenue)	Admin. Coordinator or Bookkeeper	Executive Director	n/a	Executive Director	Treasurer
Invoice	Admin. Coordinator or Bookkeeper	Executive Director	n/a	n/a	Treasurer
Voucher	Admin. Coordinator or Bookkeeper	Executive Director	Admin. Coordinator or Bookkeeper	Executive Director	Treasurer
Grant	Admin. Coordinator or Bookkeeper	Treasurer	n/a	Executive Director	Treasurer
Payment (Voucher or Grant)	Admin. Coordinator or Bookkeeper	n/a	Admin. Coordinator or Bookkeeper	Executive Director	Treasurer
Till Deposit	Executive Director	n/a	n/a	Executive Director	Treasurer
Journal Entries	Executive Director	Treasurer	n/a	Executive Director	Treasurer

**ONLY AFTER** a Voucher has been Approved and Posted, a payment can be created and executed in TBK BillPay or ACH.

## Appendix C: Donor Recognition

### Donor Recognition, Acknowledgment, and Thank you Process

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Created February 2021

This document is prepared as guidance for CCCF's process for donor recognition and acknowledgement.

#### **Donor Recognition**

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Unless otherwise indicated by the Donor at the time of their gift, all Donors will be publicly named and acknowledged in CCCF's annual report or on CCCF's website using the name as given by the Donor at the time of their gift. Specific donor gift amounts will not be published, but Donors may be grouped together in general gift amount categories.

Any Donor who wishes to 'remain anonymous in publications' will not have their name published in any external document and should be marked as such using the "Anonymous in Publications" checkbox within cSuite. For these donors, they will all be combined into a single "Anonymous Donors" acknowledgement in publications.

Donors may choose to give to CCCF completely anonymously. In this case, the Donor's name will not be entered or tracked in cSuite and the Donor will not receive a tax-deductible receipt unless unique arrangements are made with CCCF staff.

#### **Donor Acknowledgement**

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CCCF strives to provide acknowledgment to **every Donor for every donation** received within 1 business day of the receipt of their donation.

This will be done by the Administrative Coordinator unless otherwise coordinated for specific dates/donations.

- To do this, navigate to the proper Donation by clicking on the Donation ID. Next, click "Tax Receipt" from the left menu and follow the prompts to email (or download, print, and mail) the letter. This can be done on a daily basis in batch from the "Donations" tab by selecting the ♥ [Tax Receipts](#) link and following the prompts to send receipts to all donors.

#### **Donor Thank You Notes & Letters**

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CCCF's goal is to thank all donors appropriately for their investments in philanthropy. However, we also distinguish between gifts to CCCF's Operating Fund, and gifts to other Funds under CCCF's management. The following flowchart and decision tree visually defines the "thanking donors" process. If in doubt, the default should always be to over-thank a Donor!

## Appendix D: Month End Close

### Month End Close Schedule

#### CCCF Month End Close Schedule

<u>Task</u>	<u>By</u>	<u>Target</u>
Reclass Stripe donations	Merrell	5 <sup>th</sup>
Check donation cutoff	Laurel	8 <sup>th</sup>
Post Check Donations	Joseph	10 <sup>th</sup>
Create GO Gives Donations	Laurel	10 <sup>th</sup>
Post CO Gives Donations	Joseph	10 <sup>th</sup>
Reconcile Bank Statements	Joseph	13 <sup>th</sup>
Review Reconciliations	Merrell	14 <sup>th</sup>
Review Prelim. Financials	Merrell	15 <sup>th</sup>
Internal Grant to Operating Reserve	Merrell	15 <sup>th</sup>
Close Period	Merrell	15 <sup>th</sup>
Email OK to do statements	Merrell	15 <sup>th</sup>
Produce FS Manual Fund Statements	Laurel	15 <sup>th</sup>
Produce THAVF Fund Statements	Merrell	15 <sup>th</sup>