

Rocky Point Fire And EMS
Financial Management Policy

Revised 3/1/2021

Revised 11/14/2022

Objectives

- To ensure that all financial systems, functions, purchasing and controls meet generally accepted auditing standards.
- Preserve capital through prudent banking and cash management activities.
- To achieve the most productive use of cash, minimize operating costs, and to control receipts and disbursements.
- To maintain competitive and good working relations with financial institutions.
- To provide safety to employees
- To provide insurance/bonding to ensure all district financial assets are protected.

Billing and Receipts

- The district or their designees will invoice all vendors for amounts due on a current basis. An accounts receivable age schedule will be prepared and monitored to ensure amounts due the district. Invoices are due within 30 days of billing date. Interest of one- and one-half percent per month will be charged on all balance over 30 days. The exception to this is our Ambulance Billing service, who provides their own bond.
- State Funds/State Grants. If state agency/grantor is willing and it is feasible, funds will be received via the local Government Investment Pool.
- Deposits should be received by a person other than the depositor of the funds to ensure that the funds are placed in the proper district accounts. A receipt will be provided showing account the funds are deposited in.
- All accounting computer records must be kept secure. The Book Keeper will provide the passwords to the system to the Board Treasurer and Board President. More than one person will be trained on the system while bookkeeping is done in house. Accounting records will be backed up on a

Thumb drive and given to the treasurer to be stored off site on a quarterly basis.

- The bookkeeper will reconcile the district accounts and give to the treasurer to ensure correctness. All Board members will check the Reconciliation. All large purchases shall be authorized by the Board of Directors.
- All Receipts will be verified prior to paying. Procedures will be put into place to verify that the items have been received prior to payment such as packing slips. See Appendix.
- Cash transactions should always involve more than one individual to ensure that the cash is properly recorded and deposited, and a receipt written.
- A procedure for writing off bad debts will include amount and who authorized the write off. See Appendix,
- Petty cash funds will require full documentation, including the purpose of the expenditure and who received the petty cash.
- All board members will be a signer on the account along with the book keeper. Each check will require 2 signatures. Our criminal insurance provides a coverage in case of mishandling of funds. The coverage shall be sufficient to protect District monies.

Accounts Payable/Receivable

- The district will maintain a system to age accounts payable. Invoices will be analyzed to take advantage of any discounts available. See Appendix.
- All obligations paid/received to the district will be reviewed to ensure proper documentation is attached and that all districts requirements are met. See Appendix.

Debt

- If feasible, the district may enter into long term lease obligations or issue bonds to finance capital acquisitions upon approval of the board of directors.
- Before issuing any debt, the district will consult with appropriate internal and or external financial advisors.
- All leases as reported in the district's annual financial report, will be limited as follows:

- 1) Annual leases will be limited to economic life of the equipment or facilities to be purchased, and in no case, shall be extended beyond 20 years or as otherwise authorized by Oregon Revised Statutes.
- 2) Lease purchases of equipment and facilities will be limited to fit within the districts stated mission, goal, or government role.
- 3) All lease purchase payments must be included in the originating departments approved budget.

Internal controls

- No one individual can control all phases of collecting cash, recording cash, and processing transactions such as deposits in a way that permits errors or omissions to go undetected. See Appendix.

Authorized Personnel/Security

- Checking accounts require two manual signatures. The Chief will not sign checks unless two Board members are not available or an emergency occurs.
- Checkbooks are to be kept in a secure place at all times
- The Board/Treasurer is responsible for maintaining a current signature card with the appropriate financial institution.

Investments

- The district will have a written investment policy adopted by the Board of Directors. (to be developed at a later date)

Audits/Auditors

- The district will conduct an annual audit or in lieu of audit annually.
- District employees are to cooperate with all auditors, external and internal, regarding any records maintained for or by the district

- All external and internal audit reports are to be sent to the board of directors and district manager.
- The bookkeeper or Board of Directors shall respond in writing to all external audit reports stating what actions have been taken to address the findings contained in the audit.

Approved _____
Board of Director President, date Bookkeeper/Chief Date

APPENDIX

Procedure for paying Bills

- All bills will be kept in a folder in the office.
- If the bill is a purchase; the item must be received before payment is made. This will be verified by the packing slip. It will be attached to the bill.
- The bill will be paid, a copy of the payment or check bottom attached (unless its online)
- If it is online a printout of the payment will be attached
- The paid bill will be placed in the monthly bill folder in the black filing cabinet.
- All bills regardless of how they are paid will be entered into the Bookkeeping system and are reported on the transaction statement to the Board each month.
- Aged accounts to include any discountable account for paying early.

Procedure for writing off Bad Debts

- Debts that are uncollectable require Board approval to be written off or turned over to a collections agency.

Receiving Cash Monies

- In House:

A receipt will be written to include the amount, reason and will be signed by the department and the cash donor if present.

- Outside

A receipt will be written to include the amount, reason and will be signed by the department and the cash donor if present and at all possible, example on a call.

This Policy supersedes any previous versions 11/14/2022