

Fiscal Policies & Procedures Manual

1.0 PURPOSE OF FISCAL POLICIES

1.1 Purpose

The purpose of this Fiscal Policies and Procedures Manual is to establish guidelines for the financial management of Gentle Journey Foundation to ensure accountability, transparency, internal controls, and compliance with federal and state nonprofit regulations.

1.2 Scope

These policies apply to:

- A. Board of Directors
- B. Officers
- C. Employees
- D. Volunteers handling funds
- E. Contractors handling financial operations

1.3 Objectives

The objectives of these policies are to:

- A. Safeguard organizational assets
- B. Ensure accurate financial reporting
- C. Maintain internal controls
- D. Ensure compliance with IRS and nonprofit regulations
- E. Provide clear financial procedures
- F. Promote transparency and accountability

2.0 FISCAL YEAR

2.1 Fiscal Year Definition

The fiscal year of Gentle Journey Foundation shall be:

- A. January 1 – December 31

2.2 Accounting Method

The Foundation shall use:

- A. Accrual Accounting (preferred)

OR

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B. Cash Accounting (if currently used)

3.0 INTERNAL CONTROLS

3.1 Purpose of Internal Controls

Internal controls are established to:

- A. Prevent fraud
- B. Prevent misuse of funds
- C. Ensure accurate accounting
- D. Protect assets
- E. Ensure proper authorization of expenses

3.2 Separation of Duties

Financial responsibilities should be separated when possible:

- A. One person authorizes expenses
- B. One person processes payments
- C. One person reconciles bank statements
- D. Treasurer reviews financial reports

3.3 Authorization Levels

Financial authorization levels shall be:

Amount \$0 – \$500 Approval Required (Directors)

Amount \$501 – \$2,500 Approval Required (Treasurer)

Amount \$2,501 – \$5,000 Approval Required (Treasurer & Officer)

Amount Over \$5,000 Approval Required (Board Approval)

4.0 BANKING

4.1 Bank Accounts

The Foundation shall maintain the following accounts:

- A. Operating Account

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- B. Savings Account
- C. Restricted Funds Account (if applicable)

4.2 Authorized Signers

Authorized signers may include:

- A. Executive Director
- B. Treasurer
- C. Board President
- D. Other Board Approved Officer

4.3 Dual Signature Requirement

The following payments require two signatures:

- A. Payments over \$5,000
- B. Grants awarded
- C. Vehicle purchases
- D. Equipment purchases

5.0 REVENUE & DONATIONS

5.1 Types of Revenue

Revenue may include:

- A. Donations
- B. Grants
- C. Sponsorships
- D. Fundraising Events
- E. Program Service Revenue
- F. Corporate Contributions
- G. Foundation Contributions

5.2 Donation Processing

All donations must:

- A. Be recorded in accounting system
- B. Be deposited within 5 business days
- C. Receive a donation receipt
- D. Be categorized as restricted or unrestricted

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5.3 Restricted Funds

Restricted funds must:

- A. Be used only for their intended purpose
- B. Be tracked separately
- C. Be reported to donors if required

6.0 EXPENSE POLICIES

6.1 Allowable Expenses

Allowable expenses include:

- A. Program expenses
- B. Transportation assistance
- C. Moving assistance costs
- D. Vehicle expenses
- E. Fuel
- F. Insurance
- G. Office supplies
- H. Marketing and outreach
- I. Professional services
- J. Technology and software
- K. Rent or storage
- L. Equipment

6.2 Expense Documentation

All expenses must include:

- A. Receipt
- B. Invoice
- C. Expense description
- D. Program or purpose
- E. Approval signature

6.3 Reimbursements

Reimbursements require:

- A. Receipt
- B. Expense reimbursement form
- C. Approval by Treasurer or Executive Director

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7.0 CREDIT CARD POLICY

7.1 Authorized Users

Credit cards may be issued to:

- A. Executive Director
- B. Treasurer
- C. Approved Staff

7.2 Credit Card Rules

Credit cards may be used for:

- A. Fuel
- B. Travel
- C. Lodging
- D. Supplies
- E. Equipment
- F. Software
- G. Marketing

Credit cards may NOT be used for:

- H. Personal expenses
- I. Cash advances
- J. Loans

7.3 Receipts

Receipts must be submitted within:

- A. 7 days of purchase

8.0 BUDGET

8.1 Annual Budget

The Foundation shall prepare an annual budget that includes:

- A. Revenue projections
- B. Program expenses
- C. Administrative expenses

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- D. Fundraising expenses
- E. Capital expenses

8.2 Budget Approval

The budget must be approved by:

- A. Board of Directors

8.3 Budget Review

The budget shall be reviewed:

- A. Quarterly
- B. Annually

9.0 FINANCIAL REPORTING

9.1 Financial Reports

The Treasurer shall provide:

- A. Monthly Financial Statements
- B. Budget vs Actual Report
- C. Balance Sheet
- D. Profit & Loss Statement
- E. Cash Flow Report

9.2 Board Review

Financial reports shall be reviewed:

- A. At each board meeting

10.0 ASSET MANAGEMENT

10.1 Assets Include

Assets may include:

- A. Vehicles
- B. Trailers
- C. Equipment
- D. Tools

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- E. Computers
- F. Furniture
- G. Storage equipment

10.2 Asset Inventory

The Foundation shall maintain:

- A. Asset Inventory List
- B. Purchase Date
- C. Purchase Price
- D. Serial Numbers
- E. Location
- F. Assigned User

11.0 CONFLICT OF INTEREST (FINANCIAL)

11.1 Related Party Transactions

Because Gentle Journey Foundation works with Gentle Journey LTD and Gentle Journey Holdings LLC:

- A. All transactions must be at fair market value
- B. Board must approve related party transactions
- C. Transactions must be documented
- D. Conflict of interest disclosures must be signed annually
- E. Board minutes must reflect approval

12.0 RECORD RETENTION

12.1 Financial Records Retention

Record & Retention:

- Bank Statements -7 Years
- Tax Returns -Permanent
- Financial Statements - ...Permanent
- Payroll Records -7 Years
- Expense Receipts -7 Years
- Grant Documents -7 Years
- Board Minutes -Permanent

13.0 IRS & TAX COMPLIANCE

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13.1 Required Filings

The Foundation must file:

- A. IRS Form 990 annually
- B. State nonprofit filings
- C. Charitable solicitation registration (if applicable)

13.2 Independent Contractor Forms

A 1099 must be issued to contractors paid over the IRS threshold.

14.0 AUDIT POLICY

14.1 Financial Review

The Foundation may conduct:

- A. Internal Financial Review annually
- B. External Audit when required by grants or revenue level

15.0 WHISTLEBLOWER POLICY

15.1 Reporting Improper Activity

Anyone may report:

- A. Fraud
- B. Misuse of funds
- C. Financial misconduct
- D. Theft
- E. Ethics violations

Reports may be made to:

- A. Board President
- B. Treasurer
- C. Independent Board Member

16.0 DOCUMENT APPROVAL

This Fiscal Policies & Procedures Manual shall be and is approved by the Board of Directors of Gentle Journey Foundation.