

# Henrico County Court Appointed Special Advocates Inc. ("Henrico CASA")

## Fiscal Policy

### 1. Philosophy:

The Henrico CASA Board of Directors ("Board") will conduct the financial management of Henrico CASA in an accurate, accountable, transparent, and legal manner. The Board has a fiduciary responsibility to manage Henrico CASA assets for the benefit of its clients.

### 2. Responsibilities:

- A. The Henrico CASA Executive Director ("ED") is responsible for the day-to-day financial management of the organization.
- B. The Treasurer is responsible for the oversight of the financial management of Henrico CASA according to this and other policies approved by the Board.
- C. The Finance Committee ("the Committee") supports the Treasurer as needed. The Committee is staffed by the ED, chaired by the Treasurer, and includes at least two additional members appointed by the Board.
- D. The Board is ultimately responsible for the financial management of all activities of Henrico CASA.

### 3. Accounting:

- A. The ED shall establish and maintain an effective and efficient accounting system for the accurate recording and reporting of all Henrico CASA financial activity.
- B. This system may be managed on a day-to-day basis by employee(s) hired and managed by ED, including but not limited to a bookkeeper and outside auditor.
- C. Specific duties and accounting procedures are detailed in the Henrico CASA Board of Directors Regulations, "Financial Policies" section.

### 4. Asset Protection:

The Board and the ED shall ensure that the assets of the organization are adequately protected and maintained by:

- A. Insuring against theft and casualty losses to the organization and against liability losses to Board members, staff, volunteers, or Henrico CASA itself to levels indicated in consultation with suitable professional resources.
- B. Receiving, processing, and disbursing funds under controls that are sufficient to maintain basic segregation of duties to protect bank accounts, income receipts, and payments. Such controls shall be developed in consultation with Henrico CASA's independent auditor.
- C. Planning and conducting suitable protection and maintenance of Henrico CASA property, building, and equipment.
- D. Avoiding actions that would expose Henrico CASA, its Board, or staff to claims of liability.
- E. Protecting intellectual property, information and files from unauthorized access, duplication, tampering, loss, or significant damage.

5. Audit:

- A. The Treasurer and ED shall oversee the selection process for a certified public accounting firm to conduct an annual independent audit of Henrico CASA's financial statements, to prepare the annual Form 990, and make recommendations thereon to the Board.
- B. The audit and Form 990 are due no later than November 15<sup>th</sup> of each year.
- C. The Treasurer shall review the auditor's report, financial statements, and Form 990 with the auditor and ED.
- D. The Board shall approve the engagement and/or termination of external accounting firms for this and other purposes.

6. Banking:

- A. The Executive Director shall establish bank accounts as authorized by the Board, see that all transactions are promptly recorded, and provide evidence of timely reconciliation of all bank accounts to the Treasurer.
- B. The Finance Committee will evaluate and recommend banking and investment accounts to the Board.
- C. The Board shall authorize the creation of Federal Deposit Insurance Corporation ("FDIC") insured deposit accounts, a debit card, a major credit card with a maximum \$2500 limit, and investment accounts that comply with Henrico CASA's Investment Policy.
- D. The ED will report these account activities to the Treasurer monthly.
- E. The exposure to any one commercial bank in deposit accounts shall not exceed \$250,000.
- F. Under no circumstances shall an individual sign a check payable to themselves or to an organization they or their family members control.
- G. Electronic payments [including but not limited to auto-draft, auto-transfer, Electronic Funds Transfer ("ETF"), Automated Clearing House ("ACH")], or wire may be established for payroll and related recurring obligations. The ED authorizes such payments.
- H. Specific policies for banking, petty cash, and the budget are in sections A, B, C, D, E, F, & G of the Financial Policies, Henrico CASA's Board of Directors Regulations.

7. Budget:

- A. The ED shall prepare the draft annual operating budget four months prior to the start of each new fiscal year and submit it to the Treasurer for review and recommendation to the Board.
- B. The Treasurer shall review the annual operating budget and make recommendations thereon to the Board prior to the beginning of each fiscal year.
- C. The annual operating budget for the next fiscal year shall be reviewed by the Board each February and approved each March.

7. Compliance:

- A. The ED shall prepare all compliance documents required by regulatory authorities including, but not limited to, payroll tax reports, state corporation commission reports, and grant reports, and shall assist the auditor in the preparation of the annual Form 990.
- B. The Treasurer shall monitor the preparation of the Form 990 and all other compliance reports required of the ED and/or auditor.
- C. The Board is ultimately responsible for the satisfaction of all regulatory compliance matters.

8. Electronic Access:

- A. The ED may authorize the use of certain electronic access systems, including but not limited to, bank or credit card accounts, trade vendor accounts, and grant reporting portals.
- B. When practical, electronic systems permitting financial transactions should be limited to read-only status.
- C. In all cases, the ED shall establish and document proper controls including the security of login credentials.

9. Financial Reporting:

- A. The ED shall prepare three monthly financial statements—
  - i. Balance Sheet Previous Year Comparison,
  - ii. Profit and Loss Budget versus Actual,
  - iii. Profit and Loss Previous Year Comparison.
- B. The Treasurer shall review the financial statements and make recommendation of approval thereof to the Board.
- C. The Board shall review and approve the monthly financial statements as recommended by the Treasurer.

10. Internal Controls:

- A. The ED with assistance from the external auditor and Finance Committee shall establish other internal procedures to ensure that:
  - i. Financial information is reliable.
  - ii. Assets and records are safeguarded.
  - iii. Policies and procedures are followed.
  - iv. Grants and donations are administered to comply with donor/grant restrictions; and
  - v. Compliance requirements are met.
- B. The Treasurer shall, in conjunction with Henrico CASA's independent auditor, monitor the strength and implementation of these internal control procedures.

11. Records Retention:

As required by the Commonwealth of Virginia and/or National CASA Association.

12. Reserves:

The Board may establish certain financial reserve accounts, based on recommendations of the Finance Committee and/or ED. At no time shall this reserve amount be less than the equivalent of 9 months of average operating expenses for the current budget year.

13. Signatory Authority:

- A. The ED is authorized to sign binding instruments for routine contracts and services, including trade vendor charge account agreements, when the corresponding expenditures are anticipated within Henrico CASA's current annual budget. This includes accepting grant award on behalf of Henrico CASA, if no other signatory is required by the funding agent.
- B. The ED may also sign other documents as the Board may specifically authorize and has the authority to deal with the Internal Revenue Service (IRS) and other taxing authorities on behalf of Henrico CASA.
- C. The Board may approve, and the President may sign all binding instruments not otherwise authorized by this or other policies of Henrico CASA.
- D. In the President's absence, the Board may designate another officer as signatory.

14. Other Policies:

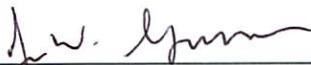
Other policies that impact the financial management Henrico CASA which are incorporated into this policy by reference include:


- A. Gift Acceptance
- B. Whistleblower
- C. Executive Compensation
- D. Conflict of Interest

15. Review and Amendment:

- A. The Finance Committee shall conduct a review of this policy and the implementation thereof no less than annually at the beginning of each fiscal year and recommend indicated revisions to the Board.
- B. The Board is solely responsible for approving amendments to this policy.

This Policy was approved by the Board of Directors of Henrico CASA on the 10<sup>th</sup> day of November 2018.

  
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Jon Ganes, President

  
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Mary Jo Sisson-Vaughan, Treasurer