

Irving Community Action Network (ICAN)
Financial and Control Policies
Adopted: February 9, 2020

I. INTRODUCTION AND PURPOSE

This document provides instructions and guidelines for financial matters of the Irving Community Action Network (ICAN). The document was developed and is maintained by the Board of Directors in cooperation with the President and Treasurer. It was adopted by the Board of Directors at a meeting of the Board on the date indicated above and supersedes any previous documents. Its purpose is to help ICAN fulfill its mission in the most effective and efficient manner and help it remain accountable to stakeholders including supporting non-profit organizations, churches or other faith-based groups, partners, donors, and the community of Irving, Texas.

II. POLICY REVIEW AND REVISION

The document will be reviewed and affirmed or revised at least annually during Q4 by the Board of Directors. Revisions must be approved by the Board of Directors by a majority vote at a meeting at which a quorum is present and voting.

Requests for review of the policies may come at any time from the President, Treasurer, committee members, other committees, or board members.

III. FINANCIAL ACCOUNTS

- a. ICAN will establish and utilize a variety of financial accounts and services that best serve the organization in fulfilling its mission and purpose. The number and nature of the accounts may change from time to time but only with Board approval.
- b. As a minimum there will be a deposit account used to process financial donations and process payments for products and services. The President and Treasurer may be signatories on this account.
- c. Another basic account may be for savings of funds. This account would be meant to earn interest on funds that are not immediately needed for normal ministry operations.
- d. Funds in any account may include restricted use funds whose use is limited to a purpose designated by the donor, grant, or Board action.
- e. Funds in any account may also include funds budgeted for designated use. The use of these funds is limited to their intended purpose unless the Board approves a change in the budget.

IV. FINANCIAL REPORTING

- a. The Treasurer is responsible for providing monthly Balance Sheet and Income Statement reports to the Board for the most recent month ending before the meeting. The Balance Sheet will show year-to-year comparisons. The Income Statement will show the most recent month data, the year-to-date data, and year-to-date data for the same period from the previous year. On a quarterly basis a Member Summary report will be provided. The number and nature of these reports may be changed by the Board.

- b. The Treasurer is responsible for filing all financial reports as required by governmental authorities.
- c. The Role and Responsibilities for the Treasurer are further delineated in an attached addendum.
- d. Financial Records are held for 7 number of years, printed and signed by the Treasurer in a locked cabinet and also placed in an online database of documents.

V. AUTHORITY

- a. The Board of Directors is responsible for the financial management of all activities. The President in cooperation with the Treasurer is authorized to act on behalf of the Board if action is required in advance of a meeting of the Board. This authority will be within guidelines stated in this document or granted by the Board by specific approval.
- b. The President is authorized to pay bills within budgeted or approved limits, receive member dues or donations, and maintain financial accounts with the assistance of the Treasurer.
- c. The President is authorized to manage expenses within the parameters of the approved budget, reporting to the Board on any variance and the reason for it.
- d. The President and/or Treasurer is authorized to sign checks, authorize ACH payments, utilize business debit and credit card expenditures up to \$500. Payments in excess of that amount must be approved by the Board.
- e. The President is authorized to enter into contracts for activities approved by the Board as a part of the budget or as otherwise approved by the Board. All other contracts and any contract in excess of \$5,000 must be approved by the Board.
- f. The Board of Directors must approve any use of funds beyond the approved budget.

VI. INCOME: DUES, DONATIONS, GRANTS, AND EARNED INTEREST

- a. Member Dues and Financial Donations
 - i. Member dues and financial donations will be categorized by source with sufficient detail to track trends from different sources.
 - ii. Cash donations will be documented by source and amount with sufficient detail (name of donor, address, purpose of donation, etc.) to provide annual receipts for tax purposes and acknowledgements.
 - iii. All member dues and financial donations will be deposited in an appropriate account of ICAN as soon as reasonably possible. To enable this, the President and/or the Treasurer will be notified as soon as possible via text message, email, or telephone message upon the receipt of any member dues and financial donations.

VII. STOCKS, BONDS, OR OTHER NEGOTIABLE INSTRUMENTS

- a. Negotiable financial instruments may be used as a vehicle to transfer assets from a donor to ICAN. Transfer and recording the value of such donations will be done in accordance with accepted accounting standards.
- b. Upon the transfer of such financial instruments to ICAN, they will be converted to cash as soon as possible.

VIII. EARNED INTEREST

- a. Earned interest on any account will be used for the same purpose as indicated for the account

IX. EXPENSES

- a. Expenses will be reported in separate accounts matching those used for budgeting. The President and Treasurer will agree in which account specific items are entered.
- b. Payment may be made by the most convenient method available that will produce the documentation needed for accurate accounting. This may include but not be limited to, check, debit card, credit card, and ACH.
- c. Reimbursements for out-of-pocket expenses must be approved by the President and Treasurer. They will not be approved unless permission is granted before the expense is incurred and adequate documentation is provided to process the purchase as a product or service needed by ICAN.

X. BUDGET PROCESS

- a. An annual Operations Budget will be developed by the Board of Directors or Finance Committee, if applicable. It will be based on projected costs and balanced with anticipated income and available funds. It will be approved by the Board.