

Santa Fe Conservation Trust Cash Disbursements Procedures

The purpose of establishing these procedures is to create internal controls over the disbursement of cash. Due to the small size of the organization, it is recognized that optimal segregation of duties is not practicable; therefore, care is needed to assure transparency of all transactions. The objective is to balance the internal accounting control in such a way as to ensure public confidence and maintain the integrity of the financial systems and assets without unduly inhibiting the efficient operations of the organization.

1. All disbursements should be made either by pre-numbered check or by properly authorized electronic disbursement. No disbursements shall be made in cash, except for minor petty cash items (under \$100).
2. No checks should be made payable to cash, except to create or replenish petty cash, which can have a balance not to exceed \$200. All other checks should always be made payable to a specific person or organization.
3. Processing of vendor invoices and preparation of checks will be performed by the designated Bookkeeper, currently a role fulfilled by the Operations Manager. Check stock will be retained in the possession of the Bookkeeper in a lock box.
4. Prior to preparation of checks, or payment online, a vendor's invoice must be approved by either the Executive Director or a member of the Board of Directors. All invoices in excess of \$5,000 must be authorized by at least two such individuals.
5. The Bookkeeper may make vendor payments online if that method is more expedient. In such instances, vendors to be paid online must be approved by a written statement signed by the Executive Director and the Treasurer. These written authorizations shall be retained in the respective vendors' paid bill files.
6. After preparation of the check, or after payment online, each invoice should be marked "paid", to preclude duplicate payment. Additionally, the invoice should indicate the check number, the date of payment, and the account distribution to be charged. Payments made online should be identified as such on the paid invoice, or include a receipt of payment from the vendor.
7. There are four individuals authorized to sign checks. They are the Executive Director, the Chair of the Board, the Secretary and the Treasurer.
8. Checks in the amount of \$5,000 or more require two signatures. Checks under the amount of \$5,000 should not be signed solely by the Treasurer, as he or she shall review reconciliation of bank statements. (See item #12 below)

9. In no instance should blank checks be pre-signed for expediency, as this defeats the purpose of internal control procedures.
10. Checks should be mailed promptly once signed, and not retained in desk drawers or other office locations.
11. Voided checks should be retained and filed. Voided checks may be destroyed after seven years.
12. Bank statements and cancelled check documentation should go to the designated Financial Overseer, for reconciliation and the Treasurer should review reconciliation.
13. All employees should submit timely expense reports for expenditures incurred on behalf of the organization. If the employee has possession of a SFCT corporate credit card, this card should be used for all SFCT business expenditures and only for the purchase of items for the business. An employee with a SFCT corporate credit card should not use personal credit cards for SFCT business purposes. In this manner, commingling of personal and business charges on the same statement is eliminated, and checks are written solely to pay month-end statements, not individual expense chits.

Addendum: Credit Card Policy for the Santa Fe Conservation Trust

1. Cardholder must have prior written approval from the Executive Director, or other account signatory if expense is over \$500.
2. Credit card receipts must be placed in the "Receipts" file on the Bookkeeper's Desk with employee's name, purpose of the expense and any other details that would help identify the purchase.
3. No personal use permitted.
4. On the reconciliation, identify if expense is coming out of general operating or some other restricted fund.
5. Credit card balances will be paid in full each month.

Revised February 26, 2020 and effective immediately