Iredell County Economic Development Corporation
Financial Policies and Procedures

Financial policies and procedures will be reviewed annually by the President & CEO and Treasurer. The Board of Directors must approve changes to the financial policies and procedures prior to implementation. Approved by the Iredell County Economic Development Corporation (Iredell EDC) Board of Directors on ___________.

Relationship to By-Laws
These financial policies and procedures shall always be implemented consistently with the organization's by-laws.

Fiscal Year
The fiscal year of the organization is July 1 through June 30.

I. GENERAL
  A. The Board of Directors formulates financial policies and procedures, delegates administration of the financial policies and procedures to the President & CEO and reviews operations and activities of the organization.
  B. The President & CEO has management responsibility including financial management.
  C. Current job descriptions will be maintained for all employees, indicating financial duties and responsibilities.
  D. Financial duties and responsibilities must be separated so that no one person has sole control over cash receipts: disbursements, payroll, reconciliation of bank accounts, etc.
  E. All employees involved with financial procedures shall take vacations or leaves as specified in the Iredell EDC Employee Handbook. During such periods, back-up personnel who have been cross trained in their duties will perform their tasks.
  F. The Operations Manager shall maintain a document that includes all banking information and passwords, along with automatic payments, direct deposits, and authorized payments that are set up for ACH for payment and receipt from investors. This document is not to be stored on the ShareFile Cloud. A hard copy shall be retained by Operations Manager and President & CEO and saved on a removable hard drive for both the Operations Manager and President & CEO at their desk and kept in a safe place.
  G. Professional financial service providers will be established annually.
    1. FISCAL YEAR: These include Accounting Software, Payroll Service, Insurance, Banking, State of NC Retirement Plan, Independent Auditor, and third-party Bookkeeper as determined by the Board of Directors.
  H. These policies and procedures will be reviewed annually by Board of Directors.

II. BOOKS AND RECORDS; FINANCIAL REPORTING
  A. GENERAL
    1. All invoices require the approval of the President & CEO and Treasurer of the Board, or other authorized Executive Board Member.
    2. The Operations Manager, under the oversight of the President & CEO, will maintain a current and accurate log of the chart of accounts.
  B. INDEPENDENT CONTRACTOR BOOKKEEPER (Bookkeeper)
    1. Iredell EDC will contract with an Independent Contractor Bookkeeper. The

bookkeeper will maintain QuickBooks Online (QBO), including:

a) Review bank statements and balance bank accounts in QBO monthly
b) Review approved invoices and log into appropriate chart of accounts
c) Cut checks for approved invoices using QBO
d) Prepare 990s
e) Prepare all necessary corporate tax filing documents

C. RECEIPTS

1. CASH RECIEPTS (includes checks)
   a) The Operations Manager opens any mail addressed to the Corporation or without specific addressee. The Operations Manager is not to open mail directed to the President & CEO or marked Confidential. The receipt of checks or cash will be recorded in QBO with the date, name, amount and purpose.
   b) The assigned Iredell EDC employee will endorse all checks by rubber stamp to read as follows:

      PAY TO THE ORDER OF
      Bank FOR DEPOSIT ONLY

   c) The Operations Manager will deposit all checks by means of Remote Capture Deposit (RDC) using desktop equipment provided by the appropriate bank.
   d) The Operations Manager will complete deposit slips in duplicate for all cash and will make the deposit in person at the appropriate bank.
   e) Documentation for all bank deposit receipts will be saved as a pdf in the Settle.com financial folder for the month of transaction and digitally sent to bookkeeper with monthly bank statements for reconciliation.
   f) In accordance with bank policy all paper checks will be shredded after 90 days. All remote capture deposited paper checks will be kept in a locked drawer prior to shredding.
   g) All receipts will be deposited intact. No disbursements will be made from cash or check receipts prior to deposit.
2. CASH DISBURSEMENT
   a) The Operations Manager will review all invoices for mathematical accuracy, validity, conformity to the budget and compliance with bid requirements.
   b) The Operations Manager will code invoices with an appropriate expense or other chart of accounts line-item number, class and job number (where applicable).
   c) Iredell EDC uses a paid subscription-based online invoice approval process through Settle.com. All invoices will be uploaded to Settle.com by the Operations Manager or emailed to Settle.com by the vendor where the assigned employee applies the invoices with an appropriate expense or other chart of accounts line-item number, class and job number (where applicable).
   d) To streamline the payment process and reduce the chance for fraud through checks in the mail, invoices are set up for digital payment when possible.
   e) All invoices require two approvals by the President & CEO and the Treasurer. A once-weekly reminder from Settle.com will be emailed to the President & CEO and the Treasurer to log into Settle.com to review and digitally approve invoices.

f) If the President & CEO, or related party, is in receipt of payment, then the check must be signed by two executive committee members which include the Chair, Vice Chair, Treasurer, and Secretary of the Corporation.
g) By approving an invoice, the President & CEO and Treasurer indicate that it has been reviewed and authorizes payment.
h) Once the President & CEO and Treasurer have digitally approved invoices through Settle.com, the invoices will download into QBO.
i) All approved invoices will be entered into QBO by the Operations Manager, either manually or digitally via Settle.com, and/or by the Bookkeeper.
j) The ADP (payroll service company) will prepare payroll on the 15th and 30th day of each month. The bookkeeper will confirm payment and report to the Local Government Retirement system.
k) Authorized signers on Iredell EDC accounts include the President & CEO, Chair, Vice Chair, Treasurer, and Secretary of the Corporation.

D. CHECKS
1. All checks, except for, direct deposit payroll, and digitally approved and paid invoices, will require two signatures.
2. Voided checks will have "VOID" written boldly in ink on the face and have the signature portion of the check torn out. Voided checks will be kept on file.
3. Blank paper checks will be kept locked in a fireproof file cabinet.
4. In no event will:
   a) invoices be paid unless approved by at least two authorized signers
   b) blank checks (checks without a date or payee designated) be signed in advance
   c) checks be made out to "cash," "bearer," petty cash," etc.
   d) checks be prepared on verbal authorization

E. FORM 990
1. The Board of Directors, in conjunction with the audit will authorize preparation of Form 990. Form 990 will be reviewed by the President & CEO and signed by an officer of the Board.
2. Copies of Form 990 will be kept on file and electronically indefinitely.

F. AUDITS
1. The Board of Directors shall annually contract with an independent auditor for a full audit of the books.
2. The audit will represent activity during the …

III. BANK ACCOUNTS

A. BANK RECONCILIATION
1. The Iredell EDC Operations Manager will electronically download monthly bank statements.
2. The bookkeeper will reconcile the bank statements monthly.
3. The President & CEO and Treasurer of the Board will review monthly statements and reconciliations and indicate approval by initialing.
4. All outstanding checks over 90 days, will require action by the President & CEO upon notification by the Operations Manager.

B. ACCOUNTS RECEIVABLE
1. Documentation will be maintained for accounts receivable by saving a pdf of the bank deposit in the Settle.com financial folder for the month of transaction and digitally

sent to third-party bookkeeper with monthly bank statements for reconciliation.
2. Accounts receivable will be collected on a timely basis and recorded in QBO by third-party bookkeeper.
3. Investor Accounts receivable will be recorded in the Investor App in the database.

C. BOOKS OF ORIGINAL ENTRY
1. Iredell EDC will utilize a double entry system for accounting for all funds.
2. Adequate documentation will be maintained to support all general entries.
3. At the end of each month, the bookkeeper will prepare a Balance Sheet, Statement of Activities, and Profit and Loss Statement, that will be reviewed by the Operations Manager, President & CEO, Treasurer and reported monthly to the Board of Directors.
4. Iredell EDC will maintain its accounting records on the accrual basis in a manner that facilitates the preparation of audited financial statements conforming to the generally accepted accounting principles.

IV. BUDGET

A. The President & CEO will prepare the financial budget and review with the Executive Committee.
B. The President & CEO and Operations Manager will ensure that budgets are on file.
C. The Board of Directors must approve the budget annually.
D. All amendments to the budget must be approved by the Board of Directors.

V. CONTRACTS AND FINANCIAL COMMITMENTS

A. PURCHASES OVER $500
1. All purchases over $500 must be approved in advance by the President & CEO.
2. The President & CEO is responsible to know if the item ordered is within the budget and guidelines. Any variance to the budget should be noted by the Operations Manager to the President & CEO.
3. If purchase is less than $500, persons authorized by the President & CEO for immediate purchase and delivery can make the purchase using a Corporate VISA card. When this is done, receipts should be given to the assigned employee for expense reporting purposes.

B. PURCHASES OVER $5,000
1. Purchases over $5,000 will be required to undergo a competitive bid procedure and Board Approval.
    a. All bid requests will contain clear specifications and will not contain features which unduly restrict competition.
    b. The President & CEO will be responsible to ensure that all conditions and specifications of a contract, bid, or order have been satisfactorily fulfilled and will be responsible for timely follow-up of these purchases.
    c. The President & CEO will obtain at least 3 bids wherever possible unless prior approval by the Board of Directors has been obtained.
    d. Investors should be considered for the bid for services prior to non-investors.
2. Purchases over $5,000 will not be fragmented or reduced to components of less than $5,000 to avoid the bid process.

VI. PAYROLL

A. PAYROLL SERVICES

1. Iredell EDC has contracted with an independent payroll service, to generate payroll.
2. The payroll service company will enter payroll, make direct deposit transfers, print payroll reports and send reports to the President & CEO.
3. Payroll will be distributed to all employees via direct deposit with paystubs available for viewing by the employee via the payroll services website.
4. Bookkeeper is responsible for entering payroll reports into the QBO accounting system.
5. Voluntary terminations will be paid at regular pay date. Involuntary terminations will be paid thru the day of separation.
6. No changes to direct deposit for payroll should be initiated without proper documentation and authority by President & CEO for an individual employee.

B. PAYROLL TAXES

1. The payroll service company will prepare and transmit the payroll tax reports, W-2 forms, and 1099 forms.
2. Bookkeeper will verify tax preparation on a quarterly basis.

C. BENEFITS & RETIREMENT

1. Payroll will be prepared in accordance with the personnel policies and benefit plan.
2. Bookkeeper will transfer funds to the North Carolina State retirement plan.
   a. Bookkeeper will have access to the NC State retirement plan to update monthly retirement information.
   b. President & CEO will be the only other employee to have admin access to the NC State retirement plan and will be the authorized "super user".

VII. TRAVEL AND EXPENSES

A. VISA CREDIT CARD

1. The Iredell EDC will maintain a Corporate Credit Card for the Iredell EDC and the Iredell EDC Foundation.
2. In addition, designated employees will be issued an Iredell EDC credit card for all business related and travel expenses.
3. The Operations Manager will provide all staff with a copy of their VISA Statement immediately when it is available.
4. Employees are responsible for submitting all receipts by the 10th of the month within the current billing cycle to ensure that expense reports can be generated, reviewed and authorized prior to the bill due date.
5. Once VISA expense report has been authorized, the report will be given to the bookkeeper to record into QBO for processing payment.
6. Failure to provide receipts within the current billing cycle may result in the employee losing use of their Corporate VISA Card.
7. Disciplinary action may be necessary if receipts are not provided within a timely manner.
8. Incomplete VISA expense report will be returned.
9. Any expenses over $500, must be approved by the President & CEO in advance.

B. MILEAGE

1. Employees will be reimbursed for travel and other related expenses at the rate set by the Board. The President & CEO must approve employee travel and workshop expenditures prior to their occurrence. The organization will reimburse no more than the standard mileage rate for the business use of a car as established by the

IRS. Iredell EDC will reimburse meal expenses incurred in direct connection with employment, up to a designated amount for travel/meals. The mileage rate will be established annually by the board based on the IRS standards.

2. Mileage to and from residence will not be paid by Iredell EDC.
3. The mileage expense reports will be submitted for payment by the 10th day of each month, with a total, signed by the employee, authorized for payment by the President & CEO, and reviewed by the Treasurer for approved mileage expense reports.
4. Reimbursement will be based upon current travel policies. Receipts must be attached to the expense reports for lodging, common carrier transportation, and receipts for meals where required.
5. Incomplete mileage expense reports will be returned.

VIII. CONTRACT & CONSULANT SERVICES

A. GUIDELINES FOR SERVICES

1. Consideration will be made of internal capabilities to accomplish services before contracting for them.
2. Written contracts clearly defining work to be performed, terms and conditions will be maintained for all consultant and contract services.
3. The qualifications of the consultant and reasonableness of fees will be considered in hiring consultants and contract services.
4. Consultant service and contract services will be paid for as work is performed or as delineated in the contract.
5. All written contracts must be presented for approval to the President & CEO for review and signature.
6. Staff is required to provide copies of all contracts to the Operations Manager and President & CEO for reference.
7. The Operations Manager is responsible for filing all active contracts in the appropriate Sharefile Folder for the current year.
8. The bookkeeper will prepare 1099 returns to consultants at year end.

IX. PROPERTY

A. EQUIPMENT

1. Equipment shall be defined as all items (purchased or donated) with a unit cost of $500 or more and a useful life of more than one year.
2. The Operations Manager will maintain an inventory log, as items are purchased; which shall list a description of the item, date of purchase or acquisition, price or fair value of the item and its location.
3. A depreciation schedule shall be prepared by the bookkeeper at least annually for the audited financial statements.
4. The bookkeeper will record all equipment in the accounting system. An entry must be made whenever property is disposed of or acquired.

B. CELLULAR PHONE

1. Iredell EDC will provide all employees with a cellular phone for business and personal use.
2. Cellular phone guidelines, equipment, rates, device upgrades, accessories and usage are outlined in the Iredell EDC Cell Phone policy.
3. Employees will be given a copy of the Cell Phone Policy and will be required to acknowledge by signature on the date of hire.

4. A copy of the signed acknowledgement will be kept in the personnel files.

X. LEASES

A. REAL ESTATE

1. The President & CEO will review leases prior to submission to the Board of Directors for approval.
2. All leases, clearly delineating terms and conditions will be approved by the Board of Directors and signed by the Board Chair.
3. The Operations Manager will keep a digital copy of each lease on file.

B. EQUIPMENT LEASE

1. The President & CEO will review all leases.
2. All leases, clearly delineating terms and conditions will be approved and signed by the President & CEO.
3. The Operations Manager will keep a copy of each lease on file.

XI. INSURANCE

A. Reasonable, adequate coverage will be maintained to safeguard the assets of the corporation. Such coverage will include property and liability, worker's compensation, employee dishonesty and other insurance deemed necessary.
B. The President & CEO will carefully review insurance policies before renewal.
C. The President & CEO will maintain insurance policies in insurance files.
D. A blanket employee liability policy in the amount of $1 million shall be maintained.
E. Insurance policies will correspond to the calendar year whenever possible.
F. Directors and Officers Insurance
G. The Operations Manager will keep a copy of all insurance policies on file.

XII. GRANTS AND CONTRACT

A. The President & CEO will review each contract to ensure compliance with all financial and programmatic provisions. The assigned employee will maintain records of all grants and contracts in a file.
B. Payments for projects for which Iredell EDC serves as fiscal agent shall be paid out within 30 days from receiving funds.
C. The President & CEO will review and approve all reports prior to funding.
D. It will be the responsibility of the President & CEO to ensure that all financial reports are submitted on a timely basis.

XIII. LOANS

A. The Board of Directors will approve loans.
B. A promissory note will be prepared and signed by the Board Chair and two (2) officers of the Board before funds are borrowed.
C. The Operations Manager will keep copies of all active loans on file.

XIV. OTHER

A. BOARD MEETING MINUTES

1. The Operations Manager will prepare accurate minutes of all open meetings of the Board of Directors and committees within one week of the meeting and send to the President & CEO and then to the board secretary and Executive Committee for review and approval. The secretary will sign the board minutes at

the next available meeting.

2. The Treasurer will note all items in the minutes relating to finance and make appropriate action.

B. NON-PROGRAM INCOME

1. Donations of cash and non-program related income will be accounted separately.

C. PERSONNEL FILES

1. The President & CEO will maintain a personnel file for each employee, containing appropriate documents, such as the signed compensation agreement, approval of changes in compensation, an I-9 immigration form, and withholding forms for taxes, benefits, deferred compensation, and charitable contributions.