



Humane Society of Stanislaus County

Financial Policy and Procedure

Version 1.2

Amended 1/21/2011

Amended 7/25/2009

Original 12/9/2008

Expenditures

Expenditures will only be reimbursed based on direct relation to the purpose* of the Humane Society of Stanislaus County.

*Purpose of HSSC is to provide shelter, medical and adoption services to abandoned, neglected and abused companion animals within the limits of Stanislaus County and other humane services, as needed. In context, expenses may arise from such activities such as community outreach and education about animal care and welfare and the importance of spay and neuter, sponsoring of spay and neuter clinics, animal housing and adoption placements, pet food, development of a shelter facility and other similar services and activities as approved by the board of directors.

Board of Directors Oversight

It's the policy of the HSSC Board of Directors to consider and approve supplies and/or services, collectively, costing over \$250.00. The Board must approve the purchase prior to it being made and prior to reimbursement be provided. Any single or combined expense reimbursement request totaling \$250.00 or more must be provided to the board at a regular board meeting for approval prior to reimbursement.

The SECRETARY shall conduct and keep a record of all Board votes pertaining to expenditures and they shall be listed in the board minutes.

Purchasing Policy

Operating Supplies

Supplies required for the day-to-day operations of the HSSC shall be reimbursed by approved expense report. These expenses may be approved by the President up to \$250.00.

Operating Equipment

Equipment such as printers, phones, computers, software and the like shall be approved by the Board of Directors for any amount.

Pet Supplies

Pet supplies involve purchases that will directly be employed by companion animals such as pet food, medication, beds etc. These expenses may be approved by any board member up to \$100.00. Amounts over \$100.00 must be approved by the President up to \$250.00.

Vet/Medical

These are charges incurred at one of our approved Veterinary Offices. Approved Veterinary Offices are Veterinary Medical Associates and Village Oak Veterinary Office. These charges must be partnered with an approved Purchase Order. A purchase order may be issued up to \$250.00 by the President or Treasurer. Any purchase order over \$250.00 must have prior approval of the Board.

Emergency Life Saving Veterinary services may be approved above the \$250.00 limit by a combination of an Officer and any Two Board Members.

Gas/Mileage

Mileage will only be reimbursed for HSSC tasks that are accounted for on a mileage tracker. The HSSC will reimburse mileage at 25 cents per mile in accordance with the Internal Revenue Service standard mileage rates for charitable organizations.

Other

Other expenses that do not fit into one of the above categories, an expense specifically related to an event or an expense that needs explanation must be approved by the President prior to the expense.

Board Salaries

In accordance with the HSSC Bylaws, the HSSC will not offer any Board Director or Officer a salary. All work is strictly volunteer.

Expense Reports and Reimbursements

Expenditures shall be submitted to the Treasurer and/or the President on an Expense Report monthly. There may be only one month listed per expense report. Expenses over 45 days old may not be approved and may require board approval prior to reimbursement. Expenses over 60 days old will not be reimbursed. Reimbursements shall be given upon approval of the expenditures by the President, Treasurer and/or Board of Directors.

Expense reports must have all information properly filled out or it shall not be approved. Expense reports must be accompanied by all receipts that justify expenses.

It is the responsibility of the person(s) submitting expense reports to keep a copy of each report and supporting documents. Copies will not be provided once turned in.

Discretionary Spending Accounts

For Board Members or Officers who have substantial monthly expenses, a discretionary spending amount may be approved to assist board members and/or Officers. Discretionary Spending Accounts, also called "Advances" must be reconciled monthly on an HSSC expense report.

No board member and/or officer may have an outstanding balance of more than \$400.00 at any one time. An advance against cash will be issued upon written request with detailed explanation of the need and what the advance against cash will be used for.

At any time the Board of Directors and/or the President and Treasurer may request the Advance be reconciled. Once requested the Board Member and/or Officer must produce a properly formatted expense report and any supporting documentation along with a remaining balance within seven days of request.

All receipts and documents must be reconciled by the end of the fiscal month or as requested by the Board of Directors and/or Treasurer and President.

Accounting Internal Controls

The Board of Directors has the primary responsibility to ensure that the assets entrusted to them are not diverted from their intended use through error, loss or theft. Internal controls will help safeguard assets, and promote compliance with Board Policy, grant restrictions and other regulations required by the IRS under the 501c(3) code.

The Treasurer has direct responsibility of accounting controls on a day-to-day operation. The Treasurer must present the Board of Directors a statement of activity as well as a Profit and Loss statement at the Board Meeting after the close of a fiscal month. Each month the finances of the HSSC must be reconciled prior to the regular Board Meeting after the end of the fiscal month.

The Board of Directors will establish all accounts and funds to be accounted for.

The Board of Directors, upon their discretion, may amend policies regarding Treasurer reporting requirements.

Source Documents

Source documents, also known as an “audit trail”, should be kept on file for a minimum of five years.

Examples of source documents include, but are not limited to:

- Membership forms
- Store receipts
- Fee Waiver Forms (approved by the Board of Directors)
- Vendor Statements
- Contracts
- Spay & Neuter Vouchers
- Correspondence
- Microchip Forms
- Donation Letters
- Check Stubs
- Copies of Checks

The Treasurer will clarify any questions that relate to the appropriateness of a source document.

Adoption and Spay & Neuter Fee Waiver Form(s)

A waiver form must be properly filled out and approved by the Board of Directors prior to waiver. Once approval is obtained the form must be turned into the Treasurer in lieu of adoption and/or spay & neuter fees. A description of why the fees were waived must be included.

Collection of Event Money and Documents

All event monies and documents must be turned in to the proper source within seven days of the end of an event.

All funds/monies must be turned into the Treasurer with an Event Log that item details funds received at the event.

All documents must be turned into the Secretary.

Financial Statements (GAAP)

A statement of financial tracking will be provided to the Board of Directors and the President upon request within seven days of request to aid in the decision making process.

Income Statement (Operating Statement or Profit and Loss Statement)

An itemized statement that provides results over a fiscal month, quarter or year will be provided to the Board of Directors within fourteen days of request. A monthly (period) P&L statement will be provided to the Board of Directors at each Board Meeting after the close of a fiscal period.

Balance Sheet

A statement that provides a snapshot of business health (assets & liabilities) will be provided to the Board of Directors or President within seven days of request. A quarterly Balance Sheet will be provided to the Board of Directors at the Board of Directors meeting after the end of each fiscal quarter.