

PEOPLE'S PLACE INC.

Cash Management Policy

Approved By: Board of Directors
Review/Revision Date: 05/01/2016

I. PURPOSE

To outline the standards and procedures by which the liquid assets of the agency will be managed.

II. POLICY STATEMENT

The Board of Directors and designated staff will manage the assets of the agency in a manner designed to assure financial solvency, provide optimum returns and meet or exceed the standards of record keeping required by funding sources, auditors and state and federal government agencies.

III. APPLICATION

This policy applies to all People's Place employees and board members.

IV. DEFINITIONS

None.

V. STANDARDS

- A. The Treasurer will provide oversight of the agency's finances as described in the Articles of Incorporation and the by-laws.
- B. The Executive Director will oversee the preparation of the annual budget for presentation to the Treasurer at the first board meeting of the fiscal year.
- C. Expenditures that fall within the approved budget will be authorized by the Executive Director or his/her designee as described in the purchasing policy.
- D. Expenditures that exceed ten percent of the approved budget will require the approval of the Board of Directors.
- E. Checks in excess of five thousand dollars (\$5,000.00) will require two signatures.
- F. Operating funds of the agency will be maintained in accounts at institutions that are federally insured and distributed as widely as is practical to maximize insurance protection.
- G. Cash assets in excess of required operating funds will be invested in instruments approved by the Board of Directors. The treasurer will review the prospectus of potential investment instruments and make recommendations to the full Board.
- H. Petty cash accounts will be maintained as required. Petty cash accounts will be reconciled monthly.

- I. The Director of Finance will develop and maintain an accounting manual that assures that all records are maintained according to generally accepted accounting principles and provide the information required for reporting and audit purposes.
- J. Financial statements will be prepared monthly which detail the agency's cash flow and cash position as of the end of the previous accounting cycle. Statements will be provided to the Treasurer and appropriate management staff.
- K. An independent audit will be obtained annually at the close of the fiscal year. The audit report will be reviewed and approved by the Board of Directors.

VI. PROCEDURES

Detailed in Purchasing Policy and Accounting Manual.

VII. EXHIBIT

- A. Cash Receipts
- B. Petty Cash Reconciliation & Reimbursement Form