

NEBRASKA MASTER NATURALISTS FOUNDATION FINANCIAL CONTROLS AND PROCEDURES

These policies and procedures are implemented to protect and to use the assets of the Nebraska Master Naturalist Foundation ("NMNF ") in a proper manner and in conjunction with Article VI of the NMNF By-Laws for Contracts, Checks, Deposits, Funds and Audits.

I. GENERAL PRACTICES

Segregation of roles – It is the intent that the roles of custody, authorization, execution, and monitoring regarding the NMNF financial assets be segregated as much as reasonably possible to ensure that at least two (and preferably more individuals) fulfill these roles.

Accounting methods – The method of accounting shall be in accordance with generally accepted accounting practices (cash basis). Financial supporting documentation will be fully maintained – such as grant applications, paid bills, invoices, receipts, deposit slips, and canceled checks.

Budgets – An annual financial plan will be prepared and used as an operational plan, consisting of an operating budget and any relevant grant budgets. By November 1 of each year, the NMNF shall prepare its annual budget, and approval by the NMNF Board shall be recorded in the minutes of the Board meeting and the budget filed with the minutes. Quarterly financial reports shall compare year-to-date revenue and expenses to the operating budget. Revision to the budget may be made with the approval of the Board and recorded in the minutes.

Contracts – the Board may authorize any officer or officers, agent or agents of the organization, in addition to such officers so authorized by the By Laws to enter into any contract or execute and deliver any instrument in the name of and on behalf of the NMNF, and such authority may be general or confined to specific instances.

Record Retention – Financial records will be kept for at least seven years or as required by applicable laws and regulations. Procedures are to be implemented for backup copies to be maintained in two separate locations.

Reports – The Board of the Nebraska Master Naturalist Foundation shall provide a quarterly report to the Board of the Nebraska Master Naturalist Program describing the financial status of all accounts under its control.

II. RECEIPT OF FUNDS

1. Receipt of checks – The Treasurer shall receive all checks for the NMNF and enter the name of the donors or other payors into an updated log. This daily log of checks and donations will be made part of the permanent records of the Foundation.

Disbursement Procedures to the Program

Program Request Procedures

- A. Request from Program Chair in writing
- B. Review and approval by Foundation Board
- C. Notification to Program Chair in writing and payment to entity requesting payment if so approved
- D. If rejected by the Foundation Board, the Chair of the Foundation Board shall report within 24 hours to the Program Chair the reasons for the rejection and procedures to remedy the rejection.
- E. Funds deposited in the "General Fund" are available for use by the Foundation / Program as needed to meet goals and mission of the Program.
- F. Funds deposited in a "With Donor Restriction Account" are available only to the entity (Member, Chapter, etc.) that the "donor restricted" account was set aside for.
 - i. In certain situations, the entity controlling the restricted account can request to transfer some or all of the funds in the restricted account to the General Fund by providing written notice to the Chair of the Program that they wish to release some or all of the funds in that specific account.
 - ii. The Chair of the Program will then notify in writing the Chair of the Foundation that released funds are now available for the General Fund.

V. EXPENSE REIMBURSEMENT

Personal use of funds is prohibited. However, in proper circumstances, Board members are entitled to be reimbursed for expenses related to the organization that they incurred on behalf of the organization. To receive reimbursement:

- A. Expense must have been authorized in advance by the Foundation Board if over \$1,000.
- B. Expense must have been incurred for goods or services purchased for the organization.
- C. If the expense is for travel, the travel must be greater than 50 miles and will be reimbursed at the IRS approved mileage rate.
- D. Documentation for reimbursement must show the date, amount and what the expense was for and submitted within 60 days of the date incurred.

VI. BANK RECONCILIATION

In order to ensure that there are no errors in the bank and accounting records, the Treasurer and the President will monitor the NMNF accounts regularly and review reconciliation of all bank accounts to ensure they agree with the records.

Bank statements are to be sent to or otherwise available to both the Treasurer and President. Treasurer will reconcile the bank statement monthly, which should be done within 7 days of receiving the statement.

VII. FINANCIAL STATEMENTS AND IRS FORM 990

The following financial statements will be prepared monthly, for year to date up to and including the prior month end: Statement of Financial Position, Statement of Activity-this year compared to last year, Statement of Activity- actual compared to budget. NMNF will file accurate and complete IRS Form 990 to meet the requirements for a charitable tax exempt 501(c)(3) organization.

VIII. DELEGATION OF DUTIES

If the President or Treasurer is unable to fulfill his/her responsibilities, the Vice President or other officer shall be empowered to assume such responsibilities.

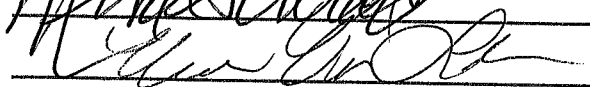
VIII. AUDITS

The Board shall appoint an Audit Committee comprised of three or more members of the Board. A compliance report of all financial activities shall be completed every year as provided herein and shall have a third-party financial audit performed every five years. The Audit Committee shall be responsible for interviewing, selecting, and retaining an outside CPA or CPA firm which shall perform the audit. This outside audit shall be reported by the CPA to the Audit Committee and made available to the Board of Directors for its review and approval.

ADOPTED BY THE BOARD OF DIRECTORS OF THE NEBRASKA MASTER
NATURALISTS FOUNDATION this date of 29 Oct, 2021.



President



Secretary