

**SAMPLE POLICIES FOR LRC TO DEVELOP WITH FINANCE
DIRECTOR/ACCOUNTANT FOR CONTRIOLS**

CLRC – Staff Expense Authorization Approval Levels

Controller: _____

No Approval on Projects
Office Supplies & Misc. up to \$ _____

Director of Programs & Property Management: _____
Property Related Only – Up to \$ _____

Director of Acquisition: _____
Property Related Only – Up to \$ _____

Chief Operating Officer: _____
Property Related – Up to \$ _____
Non-Property Related – Up to \$ _____

President: _____

Up to \$ _____

\$ _____ (2 Officer Approval)

Over \$ _____ (Chair or Vice Chair) and Officer

Deeds & Real Property Transfers

President and _____

Check Issuance Procedures
As of _____

Entering Invoices into Accounting Software

1. If related to a purchase order
 - a. Match invoice to open accounting copy of PO
 - b. Match invoice to staff's completed PO and documentation that item/service was received, satisfactory, and price is correct. Scan documents or attach related electronic documents to property/invoice as required.
 - c. Enter invoice from vendor into system. Post data entry initials and date manually onto vendor invoice and staple to file.
 - d. If related to construction/deconstruction – confirm that lien waiver is attached.
2. If not related to a purchase order –
 - a. Confirm that invoice type is not required to have a purchase order (ie. Office Rent, Office Utility, etc.)
 - b. Determine that invoice is valid (service/price/amount/vendor etc.)
 - c. Properly categorize invoice into property (or corporate). If property related, confirm that property was owned during time of utility service, and reasonable, etc.
 - d. Get approval if required by appropriate staff person – who must initial & date invoice (all invoices must be approved by controller or above)
 - e. Assign general ledger code to invoice
 - f. Post invoice to system – data entry person to initial and date of posting.
 - g. If no invoice – use check request form with proper approval to document for check issuance – make sure to match up with invoice or receipt.

All of the above – after invoice is posted into software – file in unpaid invoice file by vendor.

ALL INVOICES MUST HAVE UNIQUE INVOICE NUMBER POSTED INTO SYSTEM. IF UTILITY BILL OR OTHER ITEM, MUST USE SERVICE DATE AS INVOICE NUMBER.

Issuing Checks/Payments

1. Determine cash requirements report by week – take advantage of any available discounts from vendors
2. Pay by due date on a periodic basis (weekly, etc.)
3. Controller to review proper documentation & procedures followed at time of check printing.
4. Print check & attach invoice, purchase order, documentation to appropriate officer for signature. Post check# and date of check manually on vendor invoice.
5. After signed by officer, mail check, file paid invoice & documentation by property if property specific or by vendor if not property specific.

Internal Control Procedures
As of _____

1. Backup – All computer files, accounting and otherwise
 - a. All data files should be stored on server disk drive – not on local PC's
 - b. Server disk should be at least raid-5.
 - c. All data should be backed up daily and stored in an encrypted safe location off-site OR there should be an on-line safe encrypted storage facility
 - d. Access to sensitive computer data should be restricted by user, passwords, and if accounting related with an audit trail
2. Bank Statements & Cancelled Checks, Investment statements – President of organization should receive UNOPENED all bank statements and investment statements and closely review documents for questionable checks or other activities before turning over records to controller within 1 week of receipt – Bank should provide check images or cancelled checks monthly to organization.
3. Controller should be responsible for bank reconciliations and review of purchase orders, vendor procedures and overall integrity of system and procedures to confirm procedures are being followed.
4. File Access needs to be secured for paper & electronic access.
5. All receipts and revenues should have a lock box controlled by the bank with copies of the checks or check listings forwarded to the accounting department. There should be a segregation of duties so that the person invoicing and posting payments does not work directly with the tenant or company making payment to the organization.
6. Inspections by an organization officer on a periodic random basis to confirm existence of work, property, vendor, etc.
7. Review of each property file (or a random property file on a period basis) that is active for costs and proper work being done. Inspection of property that is vacant to confirm that it is vacant as well.
8. Controller to review any long outstanding checks, purchase orders, or other accounting items that did not follow typical time frame, process.

PETTY CASH FUNDS

CLRC uses petty cash funds to reimburse employees for small out of pocket expenses they have paid or will pay for company business. This is intended to provide a faster reimbursement to the employee and to prevent these items from becoming “Check Request” items. It is generally intended that these expenses be for no more than \$20.00 per transaction.

We presently have _____ petty cash funds – one is for general office expenses, which is maintained by _____, and the other is for property related expenses, fees, court costs, etc., which is maintained by _____.

You can come to the proper petty cash manager for your type of expenditure to get cash in advance toward the related expense you will be transacting very shortly thereafter. After you have completed the transaction, come back to the person who gave you the advance, or if no advance was received, go to the proper petty cash fund manager and ask for reimbursement. You will fill out a very short and simple reimbursement request, with the receipt attached, and you will get the cash right away, or if you received cash in advance, you will settle up with the fund manager to complete the transaction.

If you have any questions on the Petty Cash Systems here at CLRC, please see _____.

Property File Procedures
As of _____

Property

1. When Property is Acquired
 - a. Assign property number, description, acquisition method, type, and scan applicable legal documents into computer and attach to property in software
 - b. Document date acquire and other applicable information
 - c. Create a property file folder & file all documents in an active property file
2. Document ALL various activities performed on property-creating a note within computer file, attach electronic images of any contracts or other legal documents
3. Document final disposition of property, scan & attach all documents and other electronic images into computer software. Notify accounting department of final disposition.
4. File property into Closed Property File cabinet.

Purchase Order Procedures
As of _____

1. Determine
 - a. Purchase item/service description
 - b. Property & Unit (if multi-unit property) purchase pertains to
 - c. Estimated cost of purchase (prior to approval), actual purchase order amount when ordered.
 - d. Appropriate Staff person to authorize
 - e. General Ledger Account
 - f. Estimated Time of Service
 - g. Select Vendor from Approved Vendors List (or get Vendor approved) and if over \$ _____ must get at least 3 bids
 - h. If related to construction/deconstruction/maintenance need proper documentation as to permits/license/lien release for that property/project
 - i. If purchase is subject to a grant/project/restriction must indicate grant and confirm that the purchase meets grant requirements.
2. Complete Purchase Order & have appropriate staff approval signature on PO.
3. Copy of PO to accounting department, order service/item, keep a copy of pending PO's, (may use software to keep open PO's....)
4. When item or service has been received – attach receiving report, proof of service (picture, etc.) and sign & date that purchase order has been satisfied & turn in entire file to accounting office for scan & resolution with invoice from vendor.

SAMPLE County Land Reutilization Corporation
Chart of Accounts – as of _____

Assets:

- Bank Accounts
 - Sub accounts-
- Investment Accounts
 - Sub-Accounts-
- Accounts Receivable
 - Grants
 - Rent
 - Investments
 - Notes
 - Other
- Fixed Assets
 - Investment – Acquired Properties (all accounts to have individual sub ledgers)
 - Pre-Designation
 - Rental
 - Land
 - Building
 - Fixtures & Appliances
 - Less Accumulated. Depreciation
 - Resale
 - Residential
 - Commercial
 - Demolitions
 - Land
 - Other
 - Machinery & Equipment
 - Less Acc.Depr.-M & E
 - Office Equipment
 - Less Acc. Depr.- Office Equip,
 - Vehicles
 - Less Acc. Depr.-Vehicles
 - Prepaid Expenses
 - Insurance
 - Rent

Current Liabilities:

- Accounts Payable
- Line of Credit
- Employee Receivable
- Accrued Payroll
- Accrued Payroll Related
 - Fwt & Fica

- State
- City
- Unemployment
- Workers Compensation
- Employee Dental Insurance W/H
- Employee Health Insurance W/H
- Employee Vision Insurance W/H
- Employee Retirement W/H
- Employee Life Insurance W/H
- Garnishments & Child Support W/H
- Notes Payable-Short Term Portion
- Deferred Revenue
- Security Deposits
- Accrued Interest

Long Term Liabilities:

- Note Pay-Long Term Portion

Equity:

- Fund Balance-Unrestricted
- Restricted - Fund A, B etc.

Statement of Revenue & Expenses

Divisions:

- 1 – Rental
- 2 – Re-Sale
- 3 – Maintenance (non-rental)
- 4 - Corporate

Revenue:

- Operating
- Grants
- Rental
 - Rents
 - Utility Reimbursement
 - Maintenance Reimbursement
 - Other-Reimbursement
 - Late Fees
 - Service Charges
- Property Sales
- Land Only Sales
- Management Fees
- Interest Income
- Development Fees
- Fundraising
 - (sub category by fundraising activity)
- Miscellaneous

Donations-Corporations
Donations-Individuals
Donations-Government
Restricted Income (sub-category by restriction)

Direct Expenses

Rentals

Advertising-Rentals
Cleaning & Maintenance
 Lawn Maintenance
 Snow Plowing
 Cleaning
 Other
Repairs
 Internal
 External
 Landscaping
Utilities
Insurance
Mortgage Interest Expense
Legal Expenses
Permits-Rentals
Real Estate Taxes
Supplies
Other
Bad Debt Expense-Rentals
Depreciation Expense-Rental
Total Rental Expenses

Re-sale

 Cost of Properties/Land Sold
 Closing Costs
Total re-sale costs

Indirect Expenses:

Personnel Costs

Salaries & Wages- Officers
Salaries & Wages – Office
Salaries & Wages - Field
Fica Tax Expense (SS & Medicare)
State Unemployment
FUTA
Workers Compensation
Disability Insurance
Life Insurance

- Health Insurance
- Dental Insurance
- Retirement Benefits
- Vision Insurance
- Retirement Insurance
- Education/Seminars
- Employee Relations Expense
- Staff Parking Expense
- Total Personnel Costs

- Office Expenses
 - Office Rent Expense
 - Office Supplies (small items < \$ 250)
 - Insurance
 - Postage
 - Telephone
 - Internet
 - Gas
 - Electric
 - Mileage Reimbursement
 - Bank Service Charges
 - Maintenance/Repairs
 - Equip. Maintenance/Repairs
 - Leased Equipment

Total Office Expenses

- General & Administrative
 - Vehicles
 - Leased Vehicles Expense
 - Vehicle-Repair & Maintenance
 - Vehicle-Insurance
 - Vehicle-Fuel
 - Vehicle-Interest Expense
 - Total Vehicle Expenses
 - Interest Expense (Non-Rental)
 - Professional Fees
 - Accounting
 - Legal
 - Investment Management Fees
 - Consultant-Other
 - Payroll Processing Fees
 - Total Professional Fees
 - Advertising
 - Property for sale
 - Bids

Employment
Other (Non-Rental)
Meals & Entertainment
Travel & Lodging
Licenses & Permits (Non-rental)
Charitable Contributions
Bad Debt Expense-(Non-rental)
Dues
Publications
Miscellaneous
Depreciation Expense
 Machinery & Equipment
 Office Equipment
 Vehicles

Use of Corporate Credit Card

The credit card that you have been issued is to be used for your convenience, and to provide you with a means to make purchases on behalf of the CLRC when the normal use of check requests and/or purchase requisitions are not available or not permitted by the vendor.

The prime usage of the card should be maintained when and during travel on behalf of the CLRC, or when the need to order or purchase an item for your use can not be obtained by conventional means (i.e. Purchase Requisition and/or Check Request). This card should not be used to purchase gasoline for your vehicle whether traveling on company business or not. For the purpose of supplying your personal vehicle with gas while conducting company business, you should report the mileage traveled on a mileage report and be reimbursed based on the approved mileage reimbursement policy.

Each card has a maximum available balance. You are solely responsible for maintaining proper use of your card and keeping track of the available balance of your card. All purchases made on your credit card should be recorded on an expense report (form attached). This report should be submitted each month identifying your purchases made during the month with actual receipts and/or invoices attached. Once you have completed preparing your report, you should submit it to your appropriate signing authority for review and approval.

Once the expense report has been approved, it should be submitted to the Finance Department for reconciling the report to the billing statement and processed for payment. At any time during the review and/or approval stage, an item charged is questionable and the item is disallowed as a legitimate business expense, you may be required to reimburse the CLRC for the cost of that item and the privilege of usage may be revoked and additional disciplinary procedures may follow.

Your complete cooperation and adherence to this policy is greatly appreciated. Should you have any questions concerning the use of your card, please defer your questions to the Controller. Thank you for your assistance.

Vendor Approval Procedure
As of June _____

All Vendors:

1. Need to have a valid IRS form W-9 completed and on-file – including federal identification number, name and address.
2. Contact Name, Phone#, Email Address
3. If Ohio Vendor – County vendor is located in.
4. MBE / WBE / N/A status & proof.

Contractors (Performing any kind of maintenance, construction, de-construction, or other services on properties)

1. All of the above.
2. Copy of current Ohio Bureau of Workers Compensation Certificate
3. Copy of Current Bond and Proof of Liability Insurance (Must be at least \$500,000 in liability insurance)
4. Copy of valid current city general contractors license
5. Copy of permit(s) for construction/deconstruction work
6. Copy of any state required licensing such as Electrician, Plumber, etc..
7. Determine Prevailing Wage/Union Applicability (Davis-Bacon)
8. Lien Waivers for each project.
9. Signed statement from contractor that they will provide a drug free environment