

Just Food Financial Policy and Procedures

FINANCIAL CONSULTANTS	2
Accountant:	2
Auditor:	2
DONATIONS AND IN- KIND CONTRIBUTIONS	2
Procedures:	2
Mailed Donations	2
In-kind donations	2
Other donations	2
Bank Deposits:	2
Gift Record	3
DISBURSEMENTS:	3
Checks	3
Debit Card Transactions	3
Payroll	3
BUDGETARY PLANNING AND CONTROLS	4
Annual Budget:	4
Approval Processes:	4
Bank Accounts and Investment Accounts	5
Federal Grant Procurement Policy	6

FINANCIAL CONSULTANTS

Accountant

- Just Food will engage in the use of an outside accountant at the direction of the Board of Directors. The accountant will be responsible for the following:
 - Prepare monthly financial statements following GAAP principles.
 - Prepare annual financial statements including the IRS 990.
 - Process Just Food payroll and tax filings.
 - Prepare accounts payable with direction from the Just Food Executive Committee.

Auditor

- At the direction of the Board of Directors, an annual independent financial audit will be conducted. The audit will be performed in accordance with federal audit requirements for any year in which federal grant or contract funds were used.

DONATIONS AND IN- KIND CONTRIBUTIONS

Procedures

Mailed Donations

- A Just Food Board Member or two Just Food employees are authorized to pick up and distribute the mail from the P.O. Box or main mailbox at 1000 E. 11th St. All donations received should be processed for deposit immediately or kept in the safe.

In-kind donations

- All in-kind donations must be recorded immediately upon receipt. This includes any anonymous or bulk donations including food drives.

Other donations

- If donations are given in person, place donations in the safe until the deposit is processed.

Bank Deposits

- Document the date, amount, donor and source of each donation.
- Each deposit must be verified and confirmed and signed by both staff present to confirm the donation amount received matches the deposit.
- Once this process has been confirmed and successfully completed the deposit will be taken to the bank or processed with the Digital Check Tellerscan machine.
- The staff will scan a copy of the deposit with coding instructions to Just Food Accountant.
- The bank receipts of the transaction in addition to the deposit authorization form will be kept on file.

Gift Record

- A record of each gift must be kept with the following information:
 - Date acquired
 - Gift description
 - Name and address of donor
 - Fair market value of gift (In-Kind)

DISBURSEMENTS

Checks

- The Just Food Accountant will enter bills payable into Quickbooks.
- The Executive Committee will review and approve bills as needed. Executive Director or Director of Finance will correspond with the Finance Committee for approvals and coordinate the execution (signing and delivery of the checks) of the payables.
- All bills and other details of operating Just Food are expected to be handled in a timely and professional manner.
- All goods or services financed by Federal Grant Awards must be purchased in accordance with the requirements set forth in Just Food's Federal Grant Procurement Policy.

Debit Card Transactions

- Debit card is issued to the Just Food Executive Director and approved staff.
- Each debit card transaction to be accounted for/approved using the "Receipt for Expenses" form and include the transaction receipt.
- \$300 is the maximum point of sale transaction amount for the debit card unless it is pre-approved by the Executive Director and the Board President or a member of the Finance Committee.
- ATM cash withdrawals are prohibited.

Payroll

- Payroll is calculated bi-weekly.
- Payroll is directly deposited to employee accounts via online banking.
- The Executive Director or Finance Director will report hours worked in each time period to Just Food Accountant at least 48 hours before checks are to be issued.

- Just Food Accountant will enter information into Quickbooks and issue deposits.
- Just Food Accountant will handle federal and state employee tax filing and deposits.
- A record of time and attendance must be maintained for every employee.

BUDGETARY PLANNING AND CONTROLS

Annual Budget

- Just Food's annual budget is prepared by the Executive Director in partnership with the Finance Committee and approved by the Board of Directors.
- The budget is meant to be a "living document," meaning that it is reviewed monthly by the Board and adjusted as needed.
- The Board of Directors has a reserve goal for operating expenses of three months. Core operating expenses are defined as: rent, food inventory, utilities, insurance and gross payroll expense, including all applicable tax liability.

Approval Processes

Whole Board Vote Required as Cited in Just Food Voting Guidelines:

Expenses:

- If it adds more than 25% of the total budgeted line item or exceeds \$5,000, then it triggers a whole board vote.
- Annual Budget and any revisions
- Annual Audit
- Annual IRS 990

Contracts and Services:

- Purchasing commercial or director and officer liability insurance (which offers indemnification for directors and officers)
- Leasing, purchasing, or selling real estate; real estate construction
- Contracts for services and MOU's
- Consenting to the terms of loans and other obligations the nonprofit takes on

Executive/ Finance Committee Vote Needed as Cited in Just Food Voting Guidelines

- All expenses over budget but under 10% of the total budgeted line item or over \$1,000.
- Grant applications over \$10,000.

Bank Accounts and Investment Accounts

- **Standard Bank Account**

- Purpose: General Operating Fund
- Minimum balance: Three (3) Months Estimated Cash Expenses
- Maximum balance: Four (4) Months Estimated Cash Expenses
 - If balance exceeds four months cash, excess is transferred to the Just Food Investment Account at Douglas County Community Foundation, unless the emergency fund has less than three months cash on hand.

- **High Yield Savings ICS Account**

- Purpose: Emergency Fund
- Target balance: Three (3) Months Estimated Cash Expenses
 - If the balance exceeds the target, the excess is transferred to the Just Food Investment Account at Douglas County Community Foundation.
 - A variance from the three months target is permissible up to four weeks. After being off target for a period of four weeks, it will be up to the discretion of the Executive Committee on how to handle the variance, subject to anticipated future cash flows and current market conditions.

- **Special Projects Account**

- Purpose: Specifically earmarked funds for purchases
- Special project funds are specific one time purchases that are unbudgeted. Funds to be used within 12 months.
- For the purpose of multi year grants, At the discretion of the board, funds from multi year grants may also be included in the special projects account. These funds can be held until they are ready for disbursement and transferred into the operating account.
- Minimum: N/A
- Maximum: N/A

- **Investment Account (DCCF)**

- Purpose: An investment account at the Douglas County Community Foundation to house excess funds.
- Minimum: N/A
- Maximum: N/A

Federal Grant Procurement Policy

- For Federal grants, Just Food uses the Uniform Grant Guidance. The Uniform Grant Guidance outlines five methods of procurement: micro-purchases, small purchases, sealed bids (formal advertising), competitive proposals, and noncompetitive proposals.
 - Micro-purchases
 - Must be under the micro-purchase threshold of \$10,000.
 - Must distribute micro-purchases equitably among qualified suppliers.
 - May be awarded without soliciting competitive quotations.
 - Small purchases
 - Must be under the simplified acquisition threshold of \$250,000.
 - Must obtain price or rate quotations from an adequate number of qualified sources.
 - Sealed bids (formal advertising) (Over \$250,000)
 - Is the preferred method for procuring construction.
 - Must include a complete, adequate, and realistic specification or purchase description.
 - Must be solicited from an adequate number of known suppliers and publicly advertised.
 - Must result in a firm fixed price contract award in writing to the lowest responsive and responsible bidder.
 - Competitive proposals (Over \$250,000)
 - Used when sealed bids are not appropriate (architecture and engineering).
 - Must be publicized and identify all evaluation factors and their relative importance.
 - Must be solicited from an adequate number of qualified sources.
 - Must be in line with a written method for conducting technical evaluations of the proposals received and for selecting recipients.
 - Must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered.
 - Noncompetitive proposals
 - Are only allowable when at least one of the following conditions applies:
 - The item is available only from a single source.

- The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation.
- The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals.
- After solicitation of a number of sources, competition is determined inadequate.