



# Estes Park Newcomers Club Financial Accounting Policy

**Proposed By:** Steve Neilson, VP Community Service and 2022-2023 EPNC Treasurer

**Proposed:** 1 February 2024

**Approved:** 11 April 2024

## **The Policy:**

This policy establishes the financial management processes used by the Treasurer and Assistant Treasurer in the management of Estes Park Newcomer's Club (EPNC) funds. This represents the minimum elements of the financial management process but can be supplemented with additional control measures as deemed appropriate by the Treasurer to ensure proper documentation and accounting of the EPNC funds.

- Maintenance of General Ledger - All financial transactions in any month must be recorded in the EPNC ledger including:
  - Payment by check. Detail including check number, date, amount, payee and reason of payment should be included in the ledger. Expenses should be classified as Club, Event, Community Service or other additional classes as needed for reporting/tracking purposes.
  - Deposits from Stripe or Cash Deposits.
    - The amount received from Stripe will be on the bank statement and should be recorded in the ledger. This Stripe amount should be reconciled to MembershipWorks and the revenue classified as Club, Event, Community Service or other additional classes as needed for reporting/tracking purposes. Fees associated with Stripe should be recorded in the appropriate expense account. This reconciliation should be included in the support uploaded to the Finance Google Drive folder.
    - Cash deposits should be entered into the ledger with a description of the purpose of the cash deposit (such as individuals who paid cash for events or dues) supported by deposit slips and filed with the monthly financial statements. In addition, the Memberships team should be notified of individuals who paid cash for membership dues in order for MembershipWorks to be updated.

- Automatic Electronic Withdrawals - A review of automatic electronic withdrawals as shown on the bank statement (such as storage cost) should be made to ensure the appropriate amount was withdrawn. These expenses do not require the completion of an expense form.
- Reimbursement of Members for Out-Of-Pocket Expense - An expense form should be submitted to the EPNC Treasurer directly (with original receipts) or by an email (with scanned receipts) which details the expense. The Treasurer shall submit the form to the President for approval directly or by email. Any email shall be made part of the documentation for the expense.

In the event the President should require reimbursement for expenses, the appropriate form should be completed and forwarded to either the Assistant Treasurer or the President Pro-Tem for review and approval. Upon approval the form should be forwarded to the Treasurer for payment.

- Payment of Vendors - Payments to vendors incorporates the payment to event locations for deposits or payment directly to vendors on site at the time of the event. An approved payment form with receipts can follow the above member reimbursement policy if time permits, which is likely for venue deposits. However, for payment to a vendor on site it is permissible to cut the check on site, after review and approval of the invoice provided by the vendor, by the President or the VP-Events. The appropriate expense form, formal approval, and documentation should take place as soon as possible after the event.
- Preparation of Financial Statements.
  - The Treasurer shall prepare a monthly Financial Management Report that includes at a minimum the Current Month and YTD Income Statement by Class and a YTD Balance Sheet as well as an Events Summary Report monthly for presentation to the EPNC Board.
  - At a minimum, the monthly Event Summary Report shall identify each event, the date of the event, number of paid attendees, price per attendee, event site location, total revenue, total direct event expenses, Stripe fees and net income (loss).
  - A copy of the monthly Financial Management Reports and the Event Summary Reports shall be uploaded to the Finance Google Drive folder by month.
- Propose Fiscal Year Budget - The Treasurer shall prepare a proposed budget for the following fiscal year for initial review by the Board such that it may be approved at the May Board meeting. This budget should indicate the current fiscal year budget, actual fiscal year revenue / expense as of the previous month, proposed budget amount for the following fiscal year and any remarks for proposed budget changes.
- Finance Committee Meetings - The Finance Committee, consisting of the Treasurer, Assistant Treasurer, current EPNC President and the EPNC President Pro Tem shall meet quarterly to review the club's financial status. The meeting agenda may include budget vs actual, anticipated budgeted / unbudgeted expenditures, anticipated unbudgeted / unbudgeted revenues, banking

issues, or any issues affecting the clubs' financial resources brought to the attention of the committee by the Board or membership.

The Treasurer shall prepare for the committee a "Reconciliation Detail" report from the ledger for the previous quarter. This report would detail all checks written and deposits made enabling reconciliation to the ending balance per the bank statement. Any uncleared items included on the report would enable reconciliation to the ledger balance. The ledger balance plus any Due from Stripe asset would reconcile to the Total Current Assets per the Balance Sheet.

This report would enable the committee to review all transactions in a non-financial report format in a setting outside of a Board meeting. This process takes the place of the separation of duties of the recording of transactions in the ledger and reconciliation of the ledger to the bank statement. The separation of duties is not always possible due to the Assistant Treasurer having access to record transactions.

- Annual External Transaction Review - The Board shall request a review of the club's fiscal year transactions to be conducted by either an outside third party or an individual from club membership who has been deemed qualified to conduct the review. To facilitate the review the Treasurer shall prepare a report from the ledger which lists all transactions entered in the ledger for the fiscal year being reviewed. The reviewer shall select transactions for review to determine if the transaction has been appropriately documented including but not limited to: expense form completed, expense form approved, receipts attached and expense correctly entered into the ledger, deposits substantiated on the bank statement, deposit slip available for cash deposits.
- Monthly Finance Package - The above policies reference uploads to be made to the Finance Google Drive. In summary the Finance Google Drive should include at least the following for each month: bank statement, deposit slips for cash transactions, MembershipWorks report indicating transaction date, member name(s), membership transaction amount (if any), event transaction amount (if any), transaction fee, transaction type (event or membership) and the event name, Stripe report, financial statements and Event Summary.
- Signature Authority - Signature authority for the signing of checks related to the EPNC's bank account shall be limited to the President and the Treasurer. The completion of the signature cards should occur as soon as possible after the election of the new Board members to take no earlier than the start of the new EPNC Fiscal Year.