

**Financial Controls Policy**

*Originally Approved and Implemented: 2013*

*Revised and Approved: December 1, 2023*

**Purpose of Policy**

The purpose is to establish policies and procedures to assure that 1) the board and officers understand their fiduciary responsibilities, 2) assets are managed properly, and 3) the charitable purposes of the organization are carried out.

**Establishing New Accounts**

* + - * + Board approval is required to open any new deposit and investment accounts, as well as to borrow money, in the name of and on behalf of the Tracy Family Foundation.
        + Bank and Investment Accounts that are inactive (meaning no balance, no deposits, no withdraws) for 2 consecutive years will be closed out with the approval of the TFF Board Chair, TFF Treasurer, and TFF President. It will be the responsibility of the TFF Treasurer or Finance Manager to generate the account movements report every year.
        + The following individuals are authorized signors to open new accounts: TFF Board Chair, TFF Vice-Chair, TFF Treasurer, and TFF President.
        + The following individuals are authorized to access secure information on accounts: TFF Finance Manager and authorized signors mentioned above.

**Check Authorization**

* TFF checks may be authorized by any one of the following individuals: TFF Board Chair, Vice-Chair, or TFF President.
* Authorized Person to access secure account information: TFF Finance Manager and Authorized Signers
* The preparer of checks is not authorized to sign or stamp checks with an authorized signature.

When issued checks are presented for payment at the bank, they are compared electronically against the list of transmitted checks using the automated fraud detection tool known as Positive Pay. This is a service that matches the account number, check number, and dollar amount of each check presented for payment against a list of checks previously authorized and issued by the foundation. All three components of the check must match or the bank will not release the funds for payment.

**Monthly Bank Statement Reconciliation**

Bank statements should be reconciled monthly by the TFF Finance Manager. The President should then review the monthly reconciled statements and file them for audit review.

**Annual TFF Budget**

By December 31st, at latest, the Board shall approve a DRAFT budget for the following fiscal year.

**Financial Reporting**

Each month, the President should email the Statement of Position (Balance Sheet) and Statement of Activities (Income Statement or Profit & Loss Statement) to the Board Chair and TFF Treasurer. A Year-to-Date financial report should be provided by the TFF Treasurer at every TFF board meeting. In addition to the Statement of Position and Statement of Activities, the Treasurer should also present a budget variance report (budget vs. actual).

**Deposits, Withdraws, and Electronic Transfers**

* Deposits into a TFF account can be made by anyone.
* Withdraws can only be made by authorized check signers on the TFF account.
* Electronic Transfers:
  + Internal Transfer of Funds (example: JP Morgan to BC State Bank):
    - * Authorized Persons: Authorized check signers on the account.
      * The individual authorizing the transfer of funds must copy other authorized individuals on the account (TFF Chair, Vice-Chair, Treasurer, and President) on the instructions for the transfer of funds.
  + External Transfer of Funds (example: TFF/BC State Bank funds to a nonprofit organization):
    - * Authorized Persons: Authorized check signers on the account.
      * The individual authorizing the transfer of funds must copy other authorized individuals on the account (TFF Chair, Vice-Chair, Treasurer, and President) on the instructions for the transfer of funds.

**Crypto and Other Forms of Digital Currencies**

Any offers to contribute crypto or other forms of digital currencies are subject to board review and approval at the time of offer. Contributions that may be required in the form of NFT’s are not allowed.

**Payroll/Time Sheet Controls**

TFF staff members are Dot Foods employees. The Chair of the Foundation is authorized to make payroll changes for the TFF President, per direction from the Tracy Family Foundation board of directors. The President of TFF is authorized to make payroll changes for all other staff of TFF, per the direction and approval of the TFF board. All payroll changes must be submitted to Dot’s Payroll Department.

For hourly staff members, the employee submits their hours to the President on the Monday following the end of the pay period.

**Credit Card**

Adherence to the TFF Credit Card Policy is required.

**Expense Reimbursement**

Adherence to the TFF Travel & Expense Reimbursement Policy is required.

**Investment Accounts**

* Adherence to the TFF Investment Policy is required.
* Persons authorized to give instructions to TFF Investment Advisor: TFF Chair, TFF Vice- Chair, TFF Treasurer, and TFF President. These individuals are authorized to approve the following: invest the assets of TFF; Obtain account information; Approve purchase, sale, exchange, or transfer of all investments; Approve deposits, withdraws, and electronic transfers.
* Authorized Person to secure account information: TFF President, TFF Chair, TFF Vice-Chair, TFF Treasurer, and TFF Finance Manager

**Grant Authorization**

Adherence to the TFF Grant Authorization Policy is required.

**Contracts**

All contracts not considered grants or direct charitable activities must be **a)** reviewed by the Dot legal department and **b)** approved by the TFF board if the contract commits the organization beyond 24 months or over $25,000.