



# Internal Control Policy and Accounting Procedures

Board Approved: Original Approval Unknown

Revisions Approved by Board: 03-19-2018

## Policy Recap and Compliance Requirements:

- Policy Responsibility: Director of Finance
- Changes Approved by: Board of Directors – As Recommended through Finance Committee
- Policy Review: At least annually, with yearly motion approved by Board Members
- Training: At least annually to applicable accounting staff

## WACOSA

### Internal Control Policy & Accounting Procedures

#### Budget Process

The annual budget will be prepared as accurately as possible to generate a positive change in net activity. If a positive adjustment is not achievable the Organization will balance the budget to zero; unless otherwise directed by the Finance Committee and/or the Board of Directors. The annual capital expenditures will be listed separately as part of the budget. Below are the income sources and expense line items included in the budget.

#### Income Sources:

- Medical Assistance – Rehabilitation
- County Service Income
- School Service Income
- Private Pay Service Income
- Extended Employment Grant DEED
- Vocational Contract Income (Including: Community Contracts, Production, Shred and ThriftWorks)
- Other Sources of Income:
  - Grants Awarded
  - Investment Activities
  - Undesignated / Designated Donations
  - Miscellaneous Income

#### Expense Line Items:

- Staff Wages and Related Costs
  - Staff Wages
  - Payroll Taxes
  - Unemployment
  - Worker's Comp. Insurance
  - Health, Life & Dental Insurance
  - 401(k) Match & Fees
  - Other Benefits
  - Employee Education
  - Mileage Reimbursed
  - Travel, Meals & Lodging
- Consumer Wages and Related Cost
  - Consumer Wages
  - Payroll Taxes
  - Worker's Comp. Insurance
- Program & Office Supplies
- Building & Equipment Costs
  - Equipment
  - Equipment Maintenance
  - Building Rent
  - Telephone & Utilities
  - Building & Ground Supplies
  - Building & Ground Maintenance
  - Snow & Lawn Care
  - General Insurance
  - Mortgage Interest
- Transportation Costs
  - Contracted Transportation
  - Fuel Expense & Tax Refund
  - Vehicle Maintenance
  - Vehicle Insurance & Licenses
  - Lease Expense & Interest Expense
- Advertising & Public Relations
  - Public Relations
  - Fundraising
  - Personnel Advertising
  - Advertising
- Miscellaneous Other Expenses
  - Professional Fees
  - Postage & Shipping
  - Dues & Licensing
  - Bad Debts
  - Board Expenses
  - Subscriptions
  - Miscellaneous
- Depreciation Expense

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**Budget Development Process – Continued**

1. The Executive Director will meet with each department Director and review the department's budget requests. During this review WACOSA's program goals and strategic plan will be considered to assure that the overall budget supports the Organization's mission and future direction.
2. The Director of Finance calculates annual income by:
  - Completing a projection of service fee income based on anticipated units of service as well as projected per diems and DEED rates.
  - Projecting vocational income from business contracts by considering current business contracts and relationships, the current business climate and projected efforts for expansion of business opportunities.
  - Projecting grants and other donations based on historical information and/or special projects for which grant dollars will be sought.
  - Projecting investment income based on dollars invested and the types of investments held.
3. The Director of Finance will calculate and distribute expenses to appropriate program and vocational activities by:
  - Reviewing previous year's history as well as year-to-date history on each line item.
  - Gathering information on estimated increases, particularly large expenditures.
  - Completing spreadsheet with wages and compensation including:
    - Allocating wage increases based on dollars available or legislative directive.
    - Expensing compensation for the direct care staff to the applicable programs.
    - Expensing administrative compensation costs to programs and vocational activities through costing process including: income generated by each activity, time devoted to each activity, or other allocation methods deemed reasonable.
  - Completing a budget worksheet and attaching details for each line item (if necessary).
4. Each program and vocational activity is setup with its own cost centers and a spreadsheet is developed detailing expenses and income for the various activities or programs.
5. The Director of Finance completes a list of anticipated capital equipment expenditures and the estimated useful life of these expenditures based on the Director's departmental summaries and the Organization's need.
6. The Director of Finance will present the preliminary budget and capital expenditures to the Administrative Team for initial review of projected assumptions and negotiation of specific line items as needs to project the Organization's most accurate budget.

## WACOSA Internal Control Policy & Accounting Procedures

### Budget Development Process – Continued

7. This budget is then presented to the Finance Committee for initial approval. If approved the proposed budget and capital expenditures are presented to the Board of Directors for final approval (at the November board meeting).

### Petty Cash

- Petty cash is used for purchases that cannot be charged such as: community outings, parking reimbursement, etc. Petty cash is also used to provide consumers and staff with change for vending machine purchases. The following petty cash will be kept on hand at each of the program sites:
  - Waite Park-South     \$300.00
  - Seniors                 \$150.00
  - Sauk Centre            \$100.00
  - ThriftWorks!            \$600.00
- Petty cash for purchasing may be requested from the Administrative Assistants or Site Coordinator by completing and signing a petty cash slip that indicates the date, purpose and amount needed. After purchases have been made the staff person will attach a receipt to the petty cash slip. The slip and the change from purchase will be returned to petty cash the same day as requested. If the employee is unable to obtain a receipt, a description of the expense should be detailed and submitted.
- The Administrative Assistants or Site Coordinators may provide consumers and staff change for vending machine purchases by cashing bills of \$20.00 or less into smaller denominations.
- The Administrative Assistants or Site Coordinator totals the petty cash slips and counts the cash remaining. The slips and total cash balance amount is submitted to the Payroll Administrator/Staff Accountant by the first week of the following month. The Payroll Administrator/Staff Accountant will balance each petty cash account and submit it to the Director of Finance for review and approval of reimbursement. A check in the amount of the cash difference will be issued according to standard accounts payable procedures. A check will be issued to replenish each petty cash account by the 10<sup>th</sup> of the month.
- In addition to petty cash uses as noted above ThriftWorks! will retain dollars noted above in tills and limited access lockboxes within the ThriftWorks! building. Cash balances will be reconciled daily and any shortages and/or overages (including returns recorded in the Point of Sale System (POS) will be documented on the deposit of revenue each day or in the POS system. Any discrepancies will be documented and monitored monthly.

## **WACOSA**

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#### **WACOSA Depositories**

- The Board of Directors are responsible for determining the depositories for WACOSA's funds. The Director of Finance will monitor cash balances and transfer funds accordingly. Balances will be observed to hold accounts at FDIC limits as possible, subject to operating needs. The following depositories and accounts are presently maintained by WACOSA:
  - Bremer Bank
    - Checking – Operating
    - Checking – Payroll
    - Money Market Savings Account (This account is held in a different charter of Bremer Bank to keep the funds in each charter within FDIC insurance limits.)
  - Bremer Trust
    - Investment Accounts

#### **Incoming Mail and Checks for Deposit (Attachment A)**

- The Administrative Assistant distributes all mail to the appropriate departments. The Administrative Assistant will then forward the physical checks to the Payroll Administrator/ Staff Accountant. The Payroll Administrator/Staff Accountant will immediately stamp the back of each check. He/she will complete a deposit slip, and submits a copy of the deposit slip to the appropriate area who enters the deposit into the appropriate accounts in Netsuite. The entered deposit slip to then routed to the Director of Finance who verifies the entry in Netsuite. The deposit slip and checks are then forwarded back to the Administrative Assistant and a daily deposit is made. The Director of Finance verifies the deposit slips and the bank deposit tickets. The Director of Finance routes the deposit slip copies to the appropriate individuals for filing.
- General operating deposits are made daily unless the deposit total is under \$1,000. All checks will be deposited by Friday. ThriftWorks! deposits are made daily regardless of amount.

All checking, savings and credit card transactions are to be reconciled monthly.

Un-cashed checks that are outstanding over three years will be forwarded to the MN Department of Commerce in accordance with MN Unclaimed Property Laws.

The Director of Finance has internet access to all banking accounts. This internet access has strict limitations allowing transfers between accounts only; no ACH withdrawals are permitted except as indicated in the payroll process. Limited (read only) access to accounts is available to select accounting staff based on job duties.

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#### **Investment Policy (Attachment B)**

WACOSA's investments are monitored and reconciled monthly. Investments are held in accordance with Board approved investment policies, which are reviewed yearly. Transfer from banking accounts to investment accounts are initiated by the Director of Finance with signed approval from the Executive Director. A check for the initiated amount will be issued according to standard accounts payable procedures. When necessary, transfers out of the investment accounts will be authorized by the Executive Director and communicated to the Finance Committee.

#### **Program Accounts Receivable Procedures (Attachment C)**

- ***Consumer Service Billing***

Consumer billings are based on the Consumer's daily attendance taken by staff. Services (including transportation) are billed at various intervals and individualized rates. The attendance sheets are completed by the direct program staff (Site Coordinator or Client Manager) and submitted to accounting on a weekly basis. The attendance sheets are reviewed for accuracy and consumer units are entered into the necessary accounting systems at month-end by the Program Staff Accountant. The County and private pay accounts are processed on or before the 10<sup>th</sup> of each month. Medical Assistance is typically processed by the second cutoff date designated by the State.

- ***Extended Employment Billings***

County billings: Consumer billings are based on hourly rates. The hourly rates are charged when WACOSA provides follow-along services for consumers on individual placements and when the consumer receives services at internal program sites. (Attendance is submitted to accounting in the same manner as the general consumer billings.)

State extended employment billings through the DEED grant: State billing is based on the number of hours the consumers are employed. Consumer work hours are documented and identified as center based work, supported employment or community-based. Separate State determined rates are charged for each type of employment classification. This information is documented on the consumer time sheets and submitted to accounting by the 16<sup>th</sup> and the first of the month. Supported employment hours and consumer check stubs are collected and submitted to accounting by the 15<sup>th</sup> of every month.

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#### **Vocational Accounts Receivable Procedures (Attachment D)**

- Vocational billings are based on data collected from active work contracts. WACOSA staff submit to accounting by the 1st of each month contract billing information for community contracts. In-house contracts are submitted as packing slips are generated and product is shipped. Submitted information includes:
  - Job Number
  - Pieces Produced and Shipped
  - Hours Worked (if billed hourly)
- Billing statements are processed and sent out by the 10<sup>th</sup> of the month for community contracts and shred. Billings for production contracts are typically sent the 1<sup>st</sup> and 3<sup>rd</sup> Thursday of each month. Vocational activity is reconciled by the General Staff Accountant.

#### **Accounts Receivable Collections**

1. Accounts past due 30 days will receive a phone call from accounting. The date and time will be documented on the original invoice.
2. Accounts past due 60 days will receive a phone call from accounting. If necessary, a copy of the invoice will be sent or faxed to the customer; the accounting staff will document correspondence accordingly. A recap of all accounts past 60 days will be emailed to the Director of Finance, the Director of Operations and the Sales Manager monthly.
3. Accounts past due 90 days with no arrangements for payment will be submitted by the Director of Finance to the Executive Director. The Executive Director will address collection concerns with applicable sales group members to evaluate the customer's relationship with the Organization and determine plans for collection or termination of applicable work agreements.
4. The Executive Director will determine if a collection agency will be utilized. The Executive Director will work with the Director of Finance to determine when accounts shall be written off.

#### **Inventory**

- If in-house contracts require WACOSA to maintain and purchase inventory as inventory is received the production staff will confirm physical counts and enter this information electronically into an inventory database.
- Monthly the production staff will perform an inventory assessment and as requested from accounting a detailed physical count will be performed (at least semi-annually).

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- The Payroll Administrator/Staff Accountant will reconcile all materials received and sign off on payment(s) to vendor (if applicable). Vendors will be paid according to the standard accounts payable procedures. The Payroll Administrator/Staff Accountant will review all physical inventory counts against the database inventory balance, noting any discrepancies and confirm the accurate reflection of cost of good sold for each period necessary.
- ThriftWorks! inventory is received through in-kind donations. These donated goods are sorted between sellable market bins, unsellable recyclables and refuse. Advanced staff trained in thrift store market pricing use standard pricing models and guidelines to sort sellable items. These pre-sorted sellable items are then tagged and prepared for the retail store by paid consumers and/or volunteers. On an annual basis the inventory value is adjusted per a calculation performed by the Director of Finance which is reflected on the financial statements.

#### **Fixed Asset Procedures (Attachment E)**

- All equipment, building and remodeling costs over \$1,000 will be depreciated. The \$1,000 limit is defined as a single piece of equipment costing \$1,000. A depreciation schedule for individual items will be maintained based on generally accepted accounting principles.
- A physical inventory of property will be maintained.
- Any property purchased with a value of at least \$1,000 will be recorded on the record of property purchased. The record of property purchases will include:
  - Property Description
  - Price
  - Date of Purchase
  - Depreciable Year
  - Donor Restriction (if any)
- All fixed assets under \$1,000 will be expensed throughout the year. This expense account will be reconciled at year-end detailing equipment purchased under the \$1,000 threshold. These lists will be used when reviewing insurance policy coverage.

#### **Accounts Payable (Attachment F)**

Accounts payable checks will be generated weekly. (Typically Thursdays)

- **Procedures for Adding New Vendors**  
The names of new vendors (prior to any payment of an invoice) will be submitted (on the "New Vendor" form) to the Administrative Assistant who will:
  - Check with the staff person authorizing the request, in order to verify the reason for establishing the new vendor.
  -



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### **Internal Control Policy & Accounting Procedures**

#### **Accounts Payable (Attachment F) – Continued**

- Call the vendor to verify the address (if the address is a PO Box) and/or if we are unfamiliar with the vendor.
  - If the vendor has been verified, the Administrative Assistant will sign off on the new vendor form and submit findings to the Director of Finance for review. If the Director of Finance approves the vendor, he/she will also sign off and submit the approval to the General Staff Accountant for payment.
  - If the vendor cannot be verified, the Administrative Assistant will notify the Director of Finance.
  - No payments will be made to new vendors that have not had prior review and authorization by the Director of Finance and Administrative Assistant.
  - New vendor approvals will be filed and maintained by the General Staff Accountant.
- **Vendor Annual Review**

Prior to the annual audit the following review of all WACOSA vendors will be completed by the accounting team, including the Executive Director:

- The General Staff Accountant will prepare a list of all vendors from the previous year which will include:
  - Vendor Name
  - Amount Paid for the Year
- The General Staff Accountant will distribute the list to the accounting team and the Executive Director. This team will review the list paying special attention to:
  - Unusual Dollar Amounts Paid
  - Unknown Vendors
- The team will note any concerns or issues with the vendor list. Concerns or unusual situations will be researched and resolved to the satisfaction of all team members.
- Team members will sign off on the vendor list after each member is satisfied with the results of the review.
- The approved vendor list with team signatures will be reviewed by the external auditors during the annual audit process.

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#### **Credit Card & Charge Accounts (Attachment G)**

- Only authorized personnel will use WACOSA credit cards and charge accounts at designated stores. A purchase order must be submitted with each charge on account. For all credit card charges a receipt must be submitted to accounting documenting expenditure code and reason for purchase. See attachment for a current list of authorized personnel.

#### **Signature Authorization & Check Signing (Attachment G)**

- The Board Chair, Treasurer and Executive Director are authorized to sign checks. Only one of the above signatures is necessary. The Executive Director will authorize payment of all disbursements within the board approved annual budget. Checks will not be signed in advance nor will they be made out to “cash”. In the absence of the Executive Director the VP of Quality Assurance and Programs and/or Director of Operations will receive verbal authority from the Executive Director to stamp checks. Two signature stamps are available for use and are locked in applicable desks when not in use.
- WACOSA will maintain an insurance policy of \$250,000 for employee dishonesty coverage.

#### **Executive Director’s Expenditures**

- On a quarterly basis the Finance Committee Chair will review all the Executive Director’s expenditures paid through credit card charges and personal reimbursements. These expenses will be approved after payments have been made.

#### **Payroll Systems**

- The payroll system provides for all functions involving employee compensation, benefit reporting, tax reporting, garnishment and deduction reporting and compliance reporting.
- Two forms of electronic payment are available:
  - A payment may be made through direct deposit which automatically transfers into an established bank account.
  - If the individual does not have an established bank account an electronic PayCard is created. The individual activates the card and all payroll payments are deposited electronically onto their designated card.
- If a paper payroll check has been lost, accounting will issue another check no earlier than 15 days after the original check date.

## **WACOSA**

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#### **Payroll Systems - Continued**

- **Employee Payroll (Attachment H)**

- Wages for new employees will be determined by the Human Resources Department and based on the current wage ranges and systems utilized by WACOSA.
- Any change in an employee's payroll related items (compensation, benefits, etc.) will be documented on a payroll change form and submitted to accounting by the Director of Human Resources. A change in the Director of Human Resources' payroll will be submitted to accounting by the Executive Director. Any changes to the Executive Director's compensation must be approved by the Board of Directors and submitted in writing to the Director of Human Resources for processing.
- Hourly employees will use the electronic time card system for documenting their work hours.
- The supervisor verifies each employee's hours at the end of the pay period, and approves a detail report which is submitted to accounting by the 1st and the 16th of each month (or next available work day).
- Payroll will be distributed on the 10<sup>th</sup> and the 25<sup>th</sup> of the month. The payroll will be distributed on the Friday before this date if the 10<sup>th</sup> or 25<sup>th</sup> fall on a weekend. If payroll falls on a day which WACOSA is closed, payroll will be distributed the preceding workday.
- Employees have the option to split pay between two bank accounts.
- Employees have the option to receive their payment voucher directly into their designated email account. This email is generated automatically from the accounting system eliminating error in delivery into incorrect email accounts. The staff are given clear understanding that they are indeed responsible for the confidentiality of their designated email accounts.
- No payroll advances are allowed.

- **Consumer Payroll (Attachment I)**

WACOSA adheres to all Department of Labor regulations and procedures and maintains a current special minimum wage certificate. The payroll system provides for all functions involving consumer compensation and financial integration. Tax reporting, garnishments and deductions reporting and compliance reporting is also performed within the payroll system.

## **WACOSA**

### **Internal Control Policy & Accounting Procedures**

- **Consumer Payroll (Attachment I) (continued)**
  - Consumer payroll information will be documented via an electronic payroll system. WACOSA staff will input information on a daily basis as work is completed. Consumer hours and pieces of production are in most cases entered at real-time into the payroll database. The data is reviewed for accuracy and forwarded to the accounting department for payroll generation.
  - Consumer paychecks will be deposited into individual's accounts on the 15<sup>th</sup> and the 30<sup>th</sup> of each month. The payroll will be distributed on the Friday before this date if the 15<sup>th</sup> or 30<sup>th</sup> fall on a weekend. If there are not 30 days in a month payroll will be distributed on the last working day of the month.
  - When a Consumer's paycheck is three months past the date issued and has not been cashed, accounting will notify the WACOSA Client Manager of the Consumer. The Client Manager will notify the Consumer and/or their Guardian. If necessary a replacement check will be prepared.

### **Monthly Financial Statements (Attachment J)**

- Financial statements will be prepared each month and will include notes explaining, in narrative format, any significant changes or variances from the budget. Copies of the summarized statements will be filed in the Board Minutes Book. Copies of the Statements of Financial Position (Balance Sheets) and Statements of Activities (Income Statements) along with narrative notes will be sent to the Finance Committee members each month for review. The Board will receive a three page financial summary with each board packet.

### **Annual Audit**

- The Board shall engage an external auditor to audit the financial activity for each calendar year ending December 31<sup>st</sup>. The Finance Committee, Executive Director and Director of Finance shall review the results and recommendations with the external auditor. The external auditor will also conduct an executive session with the Finance Committee. The audit will then be presented to the Board of Directors by the external auditors for their approval. The Board Members will receive a copy of the annual audit and the management letter.
- An external auditor will prepare a compliance audit of the Extended Employment program for the fiscal period ending June 30<sup>th</sup>. The Board of Directors will receive a copy of this full audit, upon request. The Finance Committee will receive an electronic copy.
- An external auditor will prepare a compliance audit of WACOSA's 401(k) plan for each calendar year ending December 31<sup>st</sup>. The Board of Directors will receive a copy of this full audit, upon request. The Finance Committee will receive an electronic copy.

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### **Internal Control Policy & Accounting Procedures**

#### **Annual Audit (continued)**

- Every three years the Finance Committee will reevaluate the firm engaged to prepare the financial audit and the compliance audits. (scheduled for review in 2019)

#### **Data and Record Storage (Attachment K)**

- WACOSA maintains three copies of all data including accounting data in electronic format. They include:
  1. Active software on the main server, terminal server and various desktops
  2. Server nightly backup - taken off site daily (rotated weekly)
  3. Friday server backup & ghosting - taken off site weekly (retained for 3 weeks)
- The Organization follows the record retention guidance shown in Attachment K to preserve information relating to litigation, audit support and investigations.
  - The information listed in the retention schedule (in Attachment K) is intended as a guideline and may not contain all the records WACOSA may be required to be retained in the normal course of business. Questions regarding the retention of documents not listed in this chart should be directed to the Director of Finance or Director of Human Resources.
- Department heads are responsible for the ongoing process of identifying records which have met the required retention period, and overseeing their destruction. Destruction of sensitive data documents will be accomplished by shredding. Document destruction will be suspended immediately, upon any indication of an official investigation or when a lawsuit is filed or appears imminent. Destruction will be reinstated upon conclusion of the investigation.
- From time to time, documents appearing on this schedule may be placed on a “legal hold” by the Executive Director; suspending the destruction of records due to pending, threatened, or otherwise reasonably foreseeable litigation, audits, government investigations, or similar proceedings. No records specified in any legal hold may be destroyed, even if the scheduled destruction date has passed, until the legal hold is withdrawn by the Executive Director.
- The Organization’s records are stored in a safe, secure, and accessible manner. Documents and financial files that are essential to keeping the Organization operating in an emergency are electronically backed up according to the schedule noted above.

#### **Insurance Coverage (Insurance Attachment)**

On an annual basis the Executive Director and Director of Finance will meet with WACOSA’s insurance agent. The Finance Committee will annually review the property and liability insurance coverage, and meet with WACOSA’s agent if necessary.

This review of coverage will be presented to the Board of Directors, annually.

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### **Internal Control Policy & Accounting Procedures**

#### **Credit References**

Credit references will only be given when a signed release of information has been presented to WACOSA. The only persons authorized to give a credit reference are accounting staff and/or the Executive Director.

#### **Mileage and Cash Reimbursements**

The following procedure will be utilized for employee reimbursements:

1. The WACOSA employee reimbursement form is to be completed detailing mileage, purpose, other travel expenses and/or purchases.
2. All receipts for purchases will be attached to the employee reimbursement form prior to submission. If the employee is unable to submit a receipt, the expense must be detailed on the reimbursement form.
3. Reimbursement forms must be submitted to the employee's supervisor for approval and signature. No checks will be issued without a supervisor's signature.
4. The supervisors will submit to accounting for payment.
5. Accounting will process checks through standard accounts payable procedures.

#### **Tax and Governmental Reporting**

The following federal and state tax reports, forms and payments will be completed as noted:

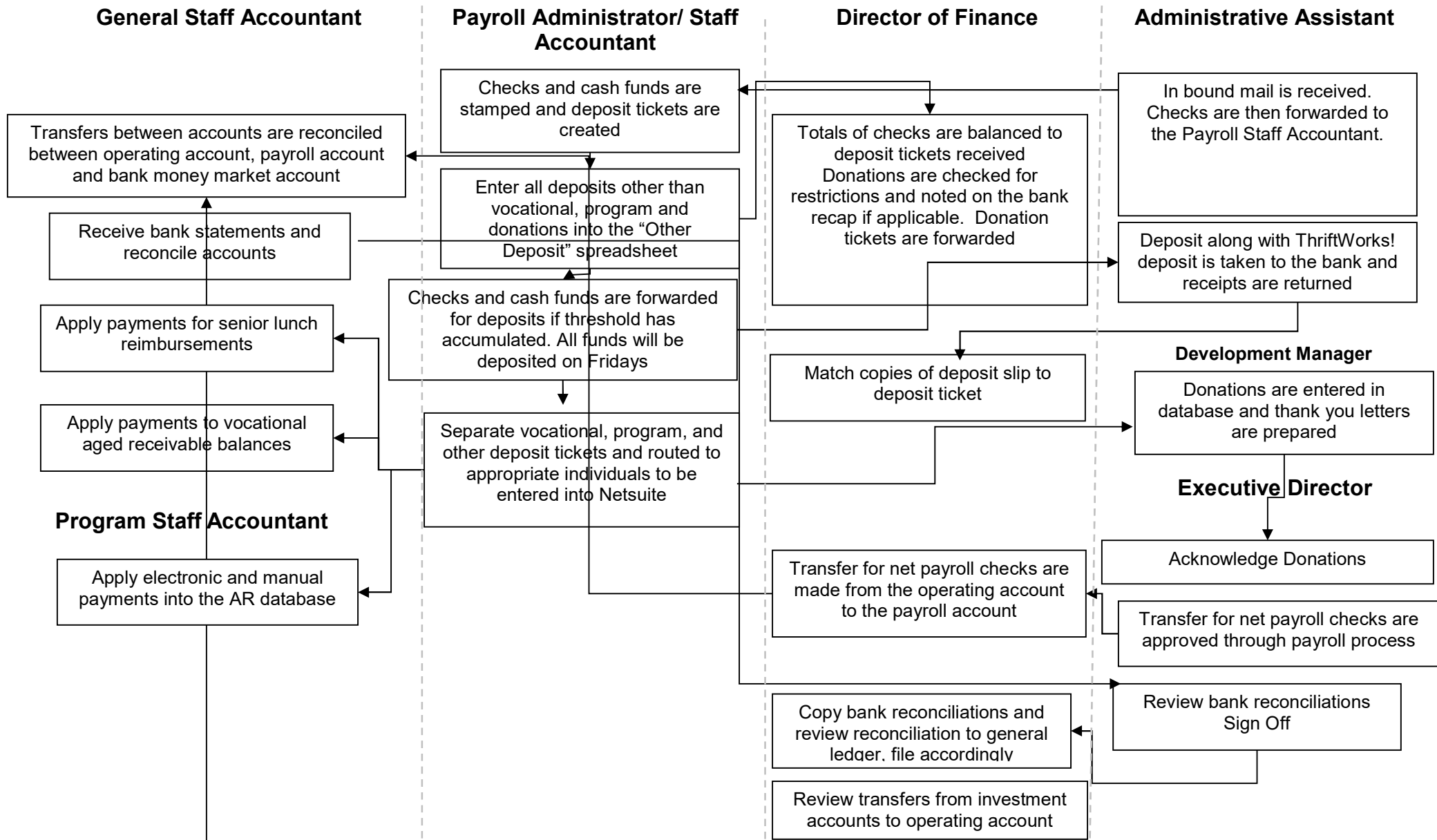
- *Quarterly reports* - *End of the month following, the quarter end*
- *Payroll taxes* - *Paid in a timely manner so as not to incur penalties or other fees.*
- *W-2* - *January 31 to Employees and Gov't*
- *1099 and summary* - *January 31 to Recipients and end of February Gov't*
- *990 PF* - *May 15*
- *Charitable Org. Annual Report- July 15*

#### **Other Accounting Standards**

Along with these internal control policies and procedures WACOSA follows the standards noted in our annual audited financial statement footnotes.

## WACOSA Internal Control Policy & Accounting Procedures Cash Deposit, Reconciliation and Transfer Procedures

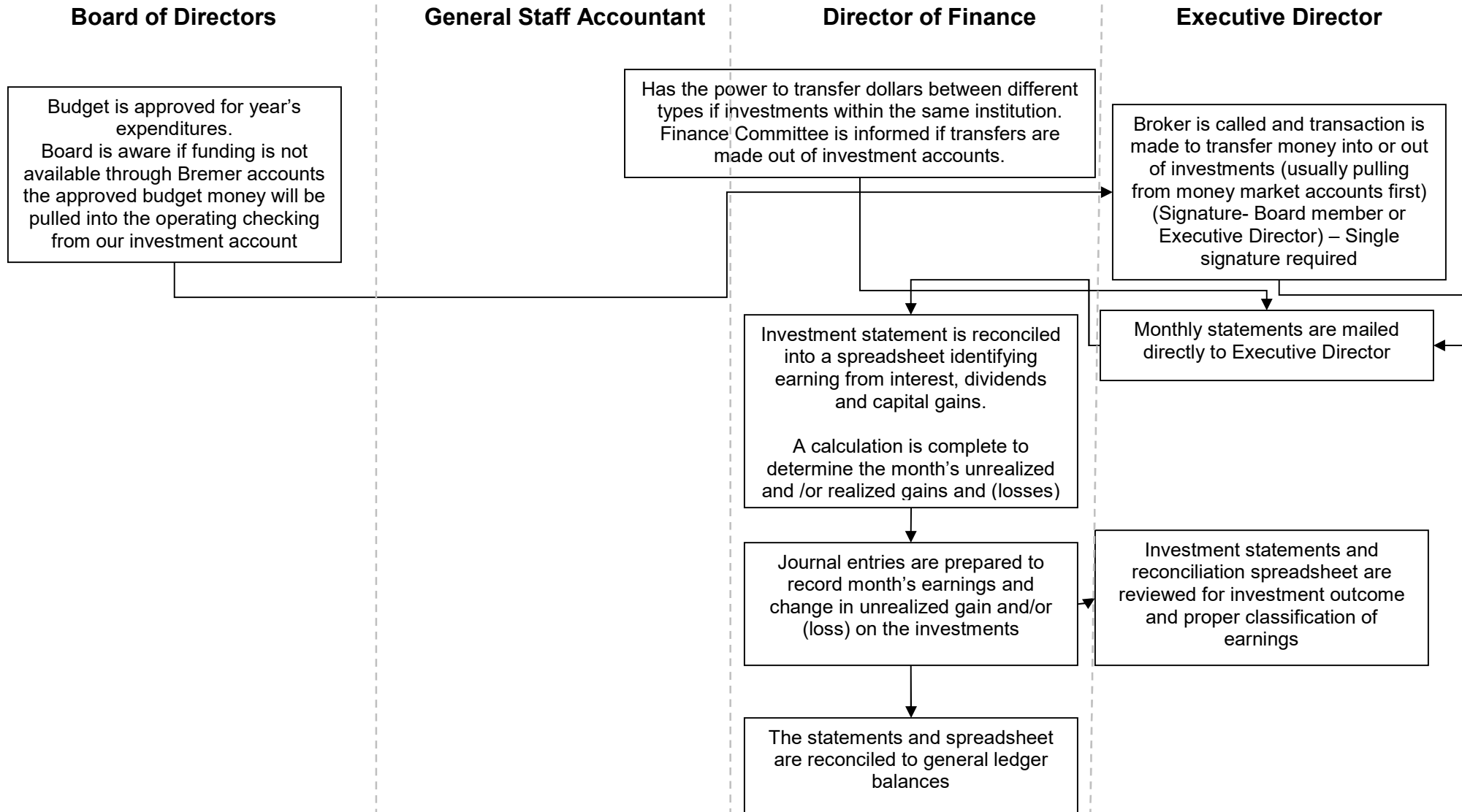
Attachment A



Monitor cash flow between savings and checking accounts to maintain account balance averages  
Intake transfer from or to the operating account from bank money market account if excess cash or cash shortage is present in the operating account

Attachment B

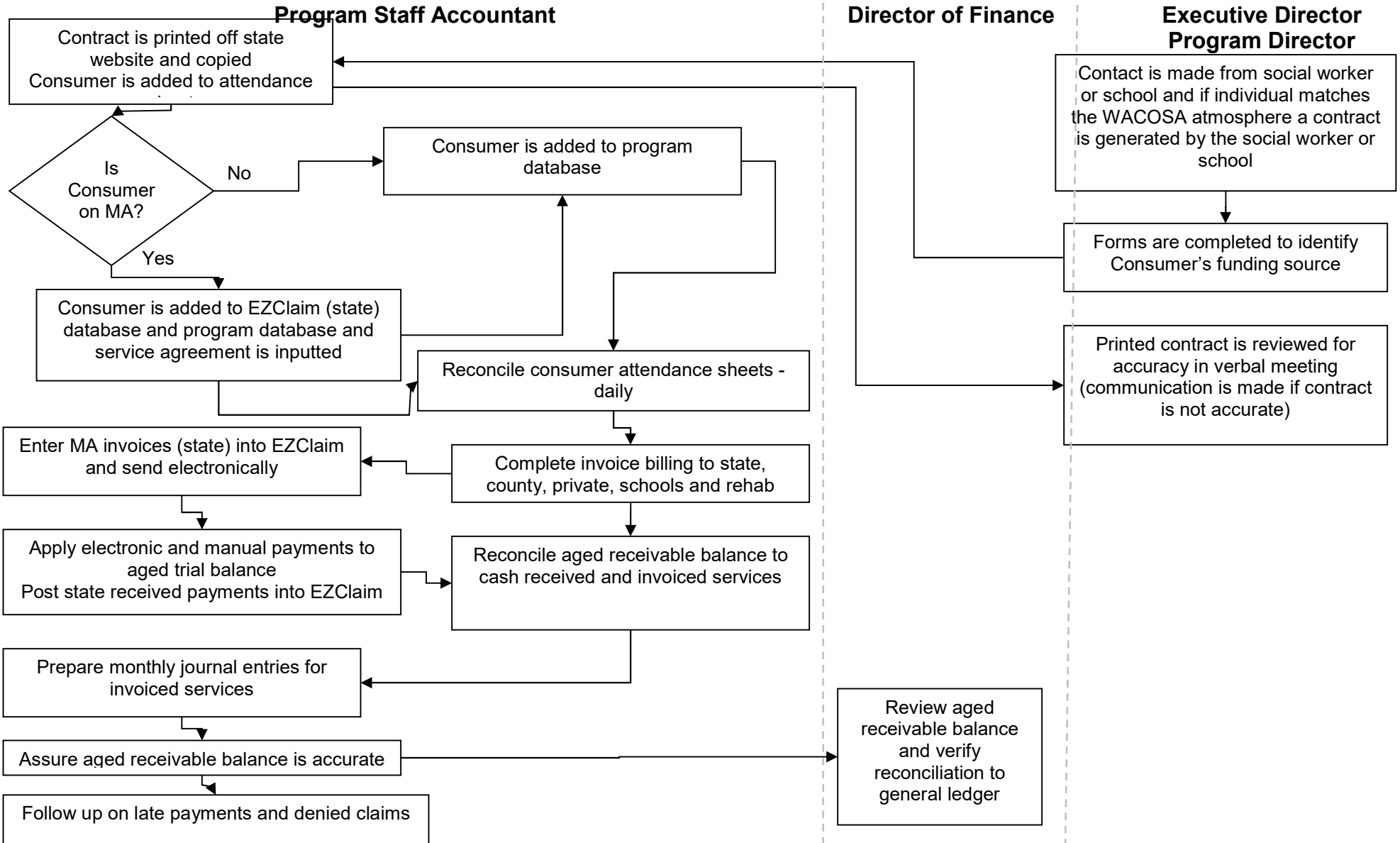
**WACOSA**  
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Investment Procedures





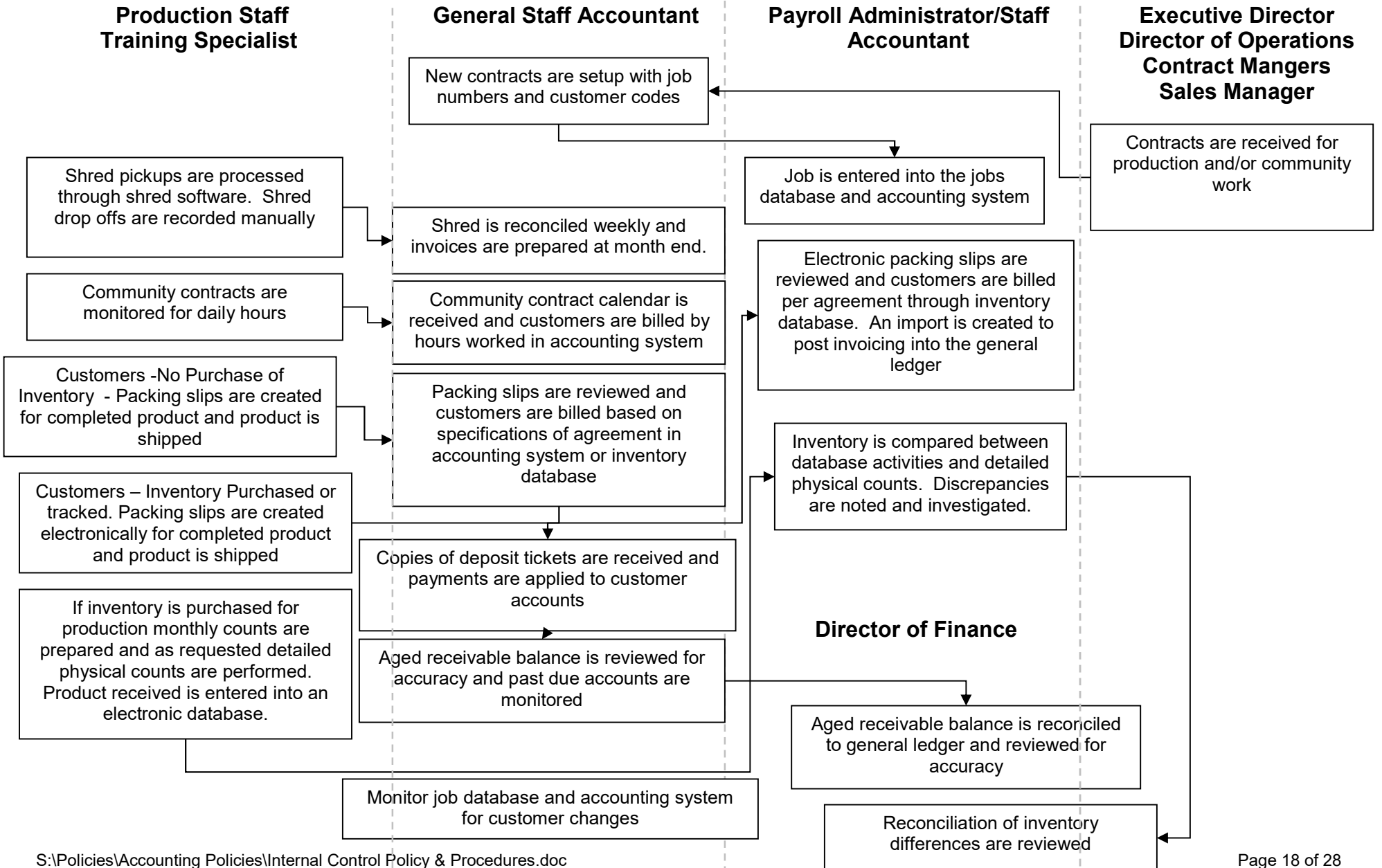
Attachment C

**WACOSA**  
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 Program Accounts Receivable Procedure



Attachment D

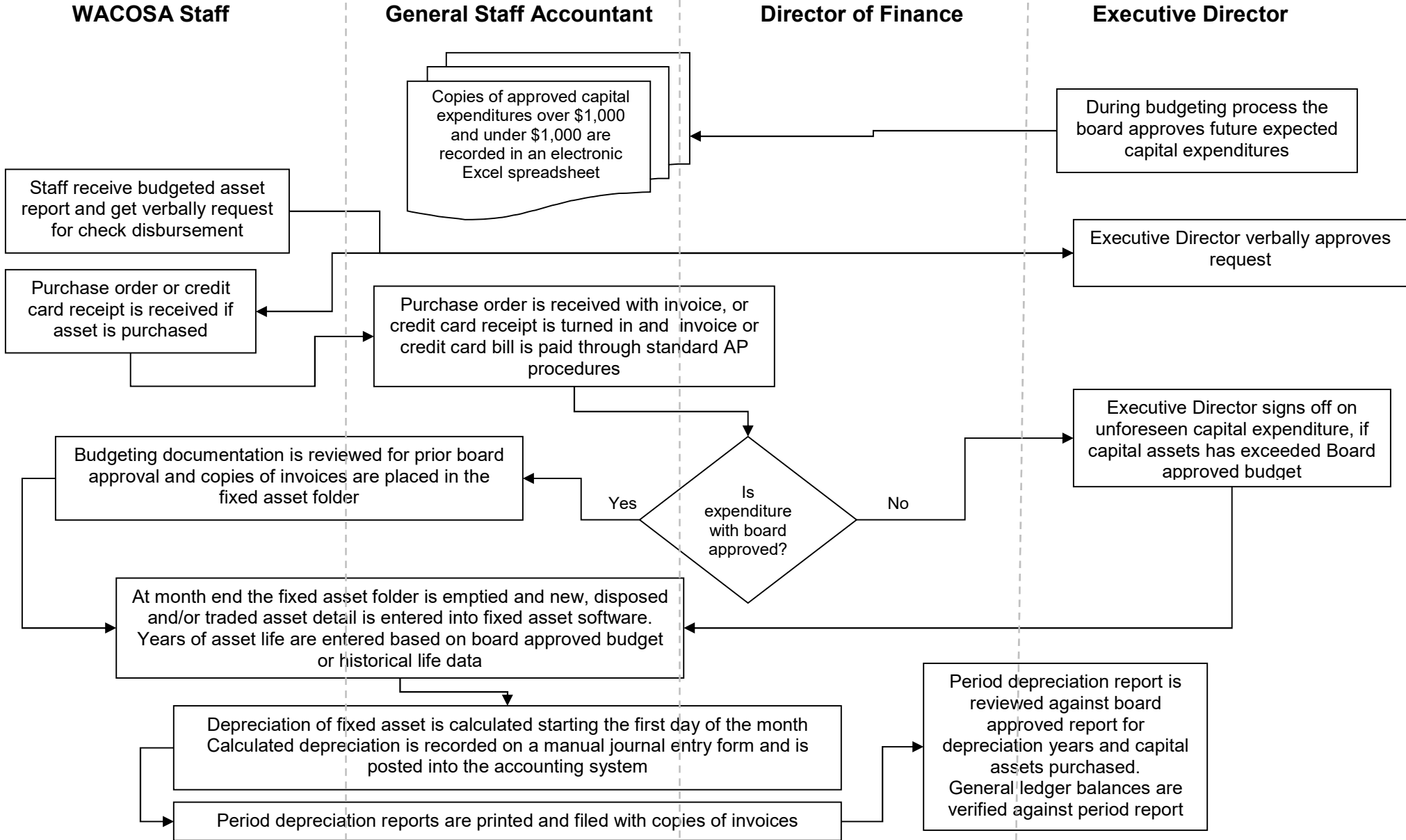
**WACOSA**  
**Internal Control Policy & Accounting Procedures**  
 Vocational Accounts Receivable Procedures



Attachment E

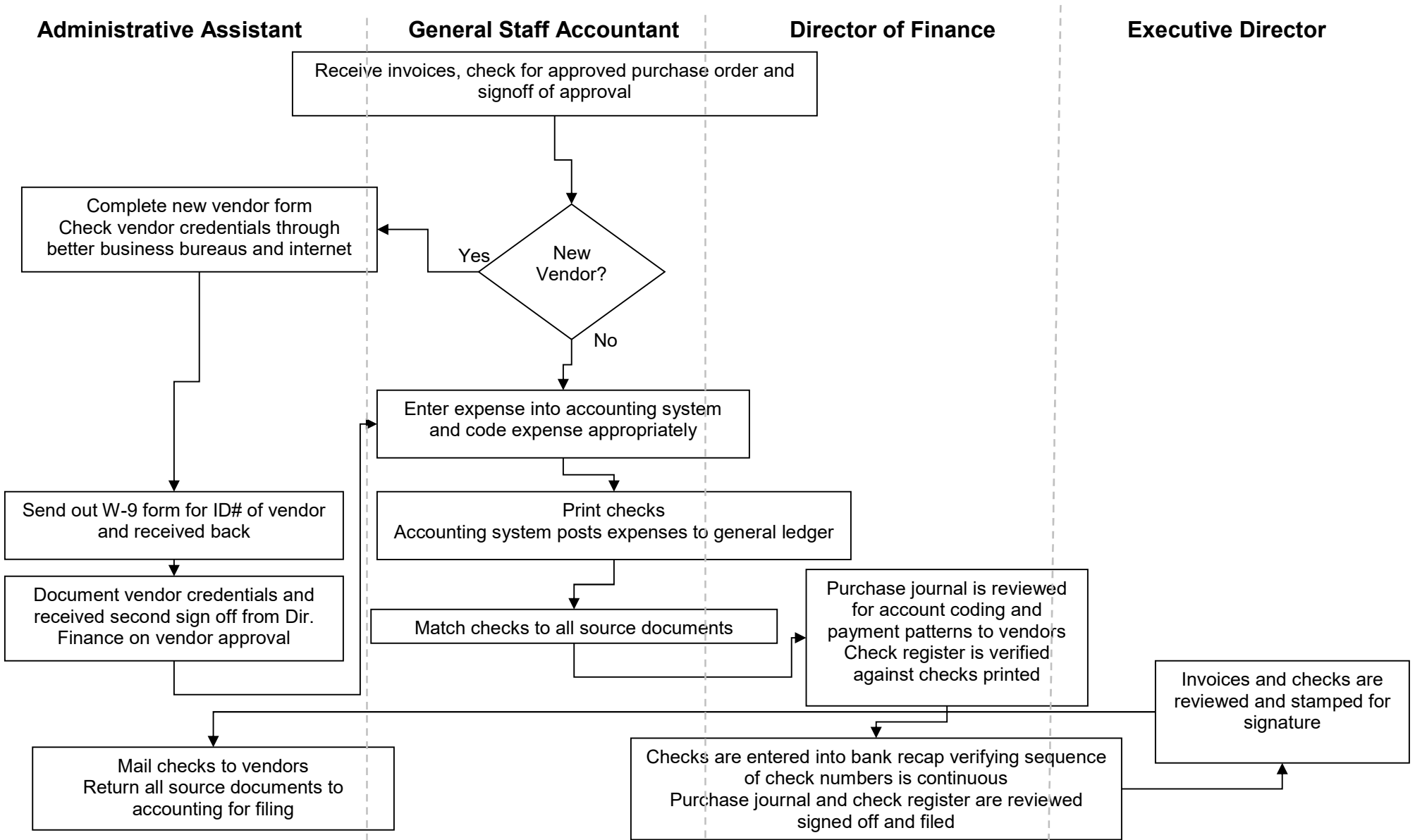
# WACOSA Internal Control Policy & Accounting Procedures

## Fixed Asset Procedures



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 Accounts Payable Procedures

Attachment F



## WACOSA

### Internal Control Policy & Accounting Procedures

Attachment G

#### Employees Authorized on Credit Cards or to Charge on Account

#### WACOSA Credit Cards

- **Discover Credit Card “Sam’s Club” Card**
  - Lisa Anderson – Team Leader (ThriftWorks!)
  - Nancy Betts – Quality Assurance/Program Director
  - Bill Brinker – Bldg/Fleet Maintenance Supervisor
  - Steve Howard – Executive Director
  - Ann Kennedy – Marketing/Sales Manager
  - Mary Lieser – Site Coordinator (Sauk Centre)
  - Carrie Peterson – Development/Communications Manager
  - Lori Schneider – ASD Specialist
  - Andrea Harrell – Curriculum/Volunteer Coordinator
  - Beth Sueker – Director of Operations
  - Sue Tuholsky - Team Leader (1<sup>st</sup> Shift)
  - Stephanie Schaefer - Site Coordinator (Whitney)
  - Mary Kay Yaeger - HR Assistant
- **Master Card**
  - Steve Howard - Executive Director

#### Store Charges

- **Home Depot**
  - Authorization from Mary Kay Yaeger
- **Cashwise & Crafts Direct**
  - Purchase Order & Authorization by Supervisor

Attachment G - Continued

**WACOSA**

**Authorized Signers of Contracts, Initial Approvals, Benefit Plans and Single Purchases**



Authorized Signers	Consumer			Employee			Accounting						Customer		Other	
	County - Purchase of Service Agreements	Authorization for Services	Program Related Billing Services	Staff and Client Payroll Processing	Employee Related Benefit Contracts and Tax Returns	HPPA Contracts and Related Forms	New Vendor Approval Forms	Vendor Contracts - Over 1 year	** Vendor Contracts - Under 1 year	Single Purchases - Over \$1,000	Single Purchases - Under \$1,000	Quarterly Payroll Tax Returns & Year-end Tax Filings	New Customer Approvals	Customer - Shred Contract	Grant Contracts and Related Reports^	Volunteer Agreements
Executive Director	X	X	X*	X	X	X	X*	X	X	X	X	X	X	X	X	X
Director of Finance			X*			X	X	X	X*	X	X	X	X	X	X	
Quality Assurance/Program Director	X*	X	X*	X*	X*	X*	X*	X	X	X	X					X
Human Resource Director				X*	X	X			X		X#					X
Operations Director								X		X			X			
Development/Communications Manager										X					X^	
Marketing & Sales Manager										X		X	X			
Bldg/Fleet Maintenance Supervisor								X		X#						
Site Coordinators		X						X		X						X
Program Staff Accountant			X													

\* Indicates backup authorized signer

\*\* Contracts under one year with costs exceeding \$5,000 will receive a secondary approval by the Executive Director or the Director of Finance.

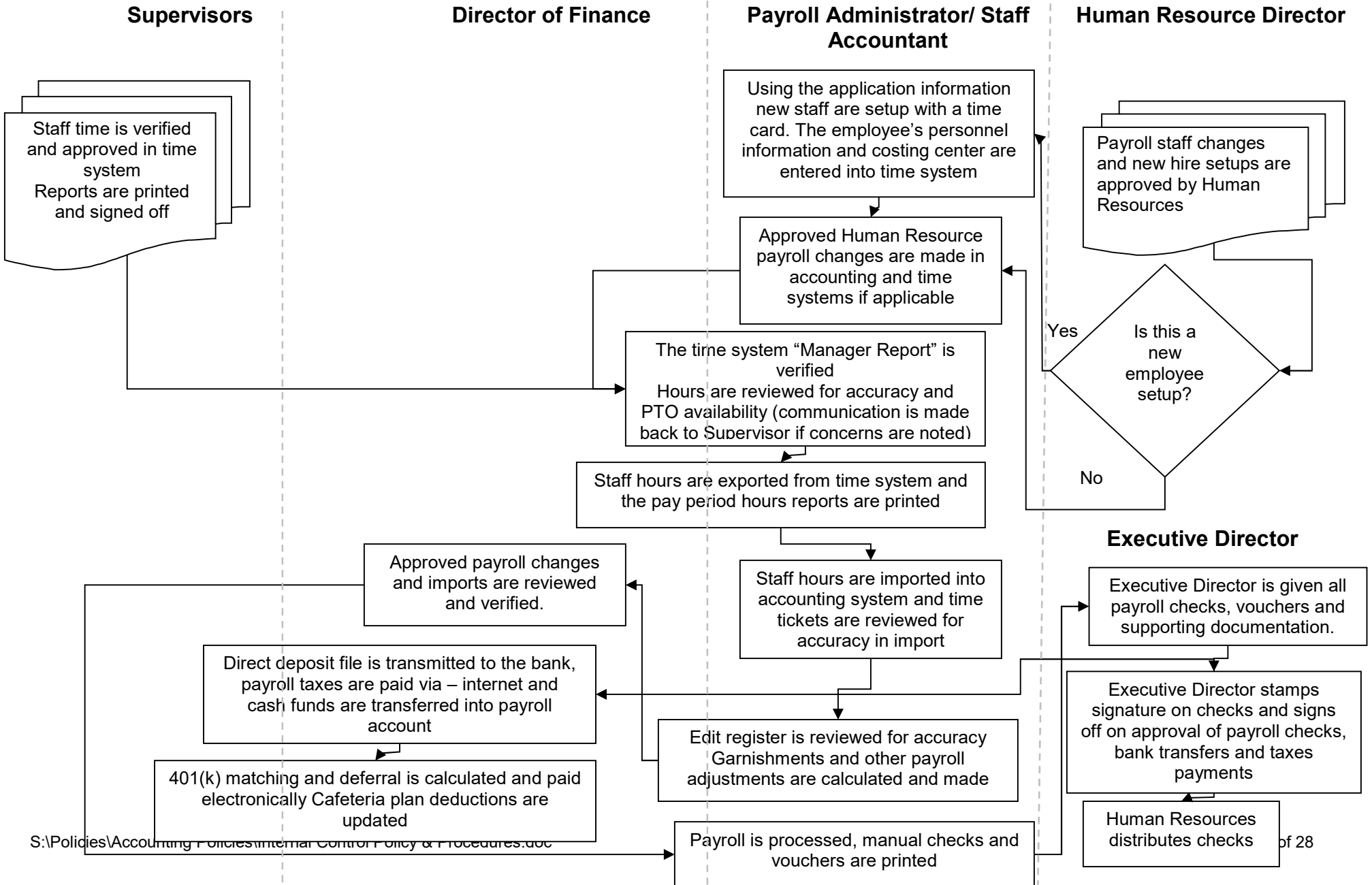
- Authorized credit card holders, as listed on the prior page, may make purchases up to applicable card limits and submit single purchase invoices of no more than \$300. All invoices above this will be reviewed and approved by an authorized signer, as noted above.

# Applicable signers may sign over the \$1,000 threshold if invoices are within reoccurring monthly operations: Utilities, Health Insurance Etc.

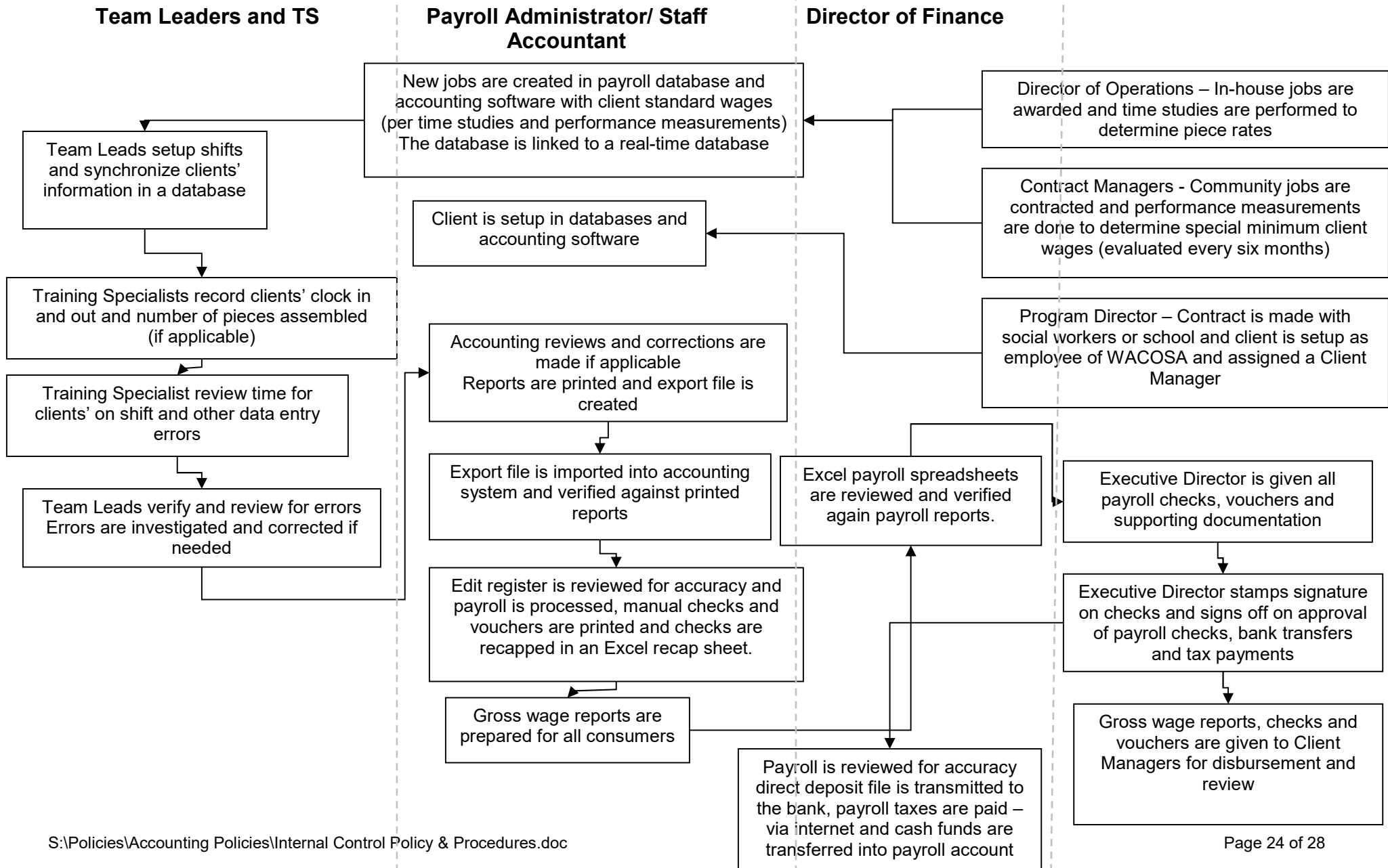
^ Grant applications and awards over \$2,000 will required signature from the Executive Director or the Director of Finance

# WACOSA Internal Control Policy & Accounting Procedures Staff Payroll Procedures

Attachment H



## WACOSA Internal Control Policy & Accounting Procedures Consumer Payroll Procedures

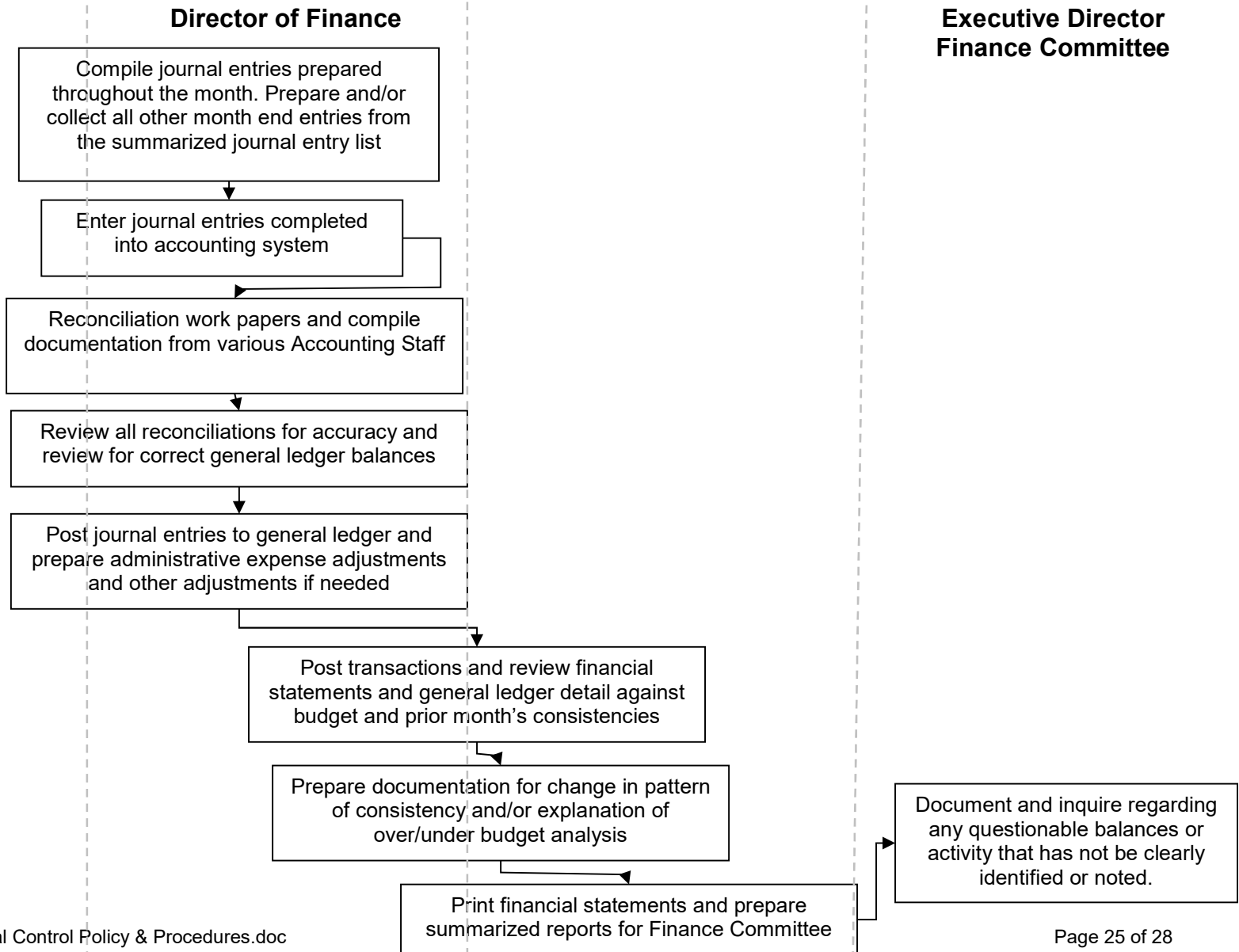




# WACOSA Internal Control Policy & Accounting Procedures

Attachment J

## Financial Statement Preparation Procedures



**WACOSA**  
**Internal Control Policy & Accounting Procedures**

Attachment K

Data and Record Storage  
Off-site Storage for Records and Items

***Safe Deposit Box at Bremer (West):***

- **Purchase Agreements**
- **Commitment to Insure and Title Insurance Policy**
- **Abstract of Title** - 320 Sundial Drive, Waite Park  
- 321 Sundial Drive, Waite Park
- **Recorded Plat for Land**
- **Contract for Deed for Property**  
- 321 Sundial Drive, Waite Park
- **Articles of Incorporation and Changes**
- **501(c)3 Nonprofit Status Documentation**
- **Minnesota Certificate of Exempt Status**
- **Mortgage Commitment**
- **Mortgage Documents for \$1.5 million loan (310 Sundial 9/2012) and payoff of prior loan**

***Stored in Fire-Proof Box On-Site (320 Sundial Drive)***

- **All copies of current software**
- **Licenses for all current software**

***Stored at the Home of the Executive Director***

- **Disaster Plan**
- **Building Plans**
- **Key to Safe Deposit Box (also a copy on site with Director of Finance)**
- **Signature Stamp**

***Stored at the Home of the Quality Assurance Director***

- **Harddrive backups of all servers.**

***Stored at the Home of the Administrative Team***

- **Disaster Plan**

***Stored at the Home of the Maintenance Supervisor:***

- **Vehicle Keys**

**WACOSA**  
**Internal Control Policy & Accounting Procedures**

Attachment K - Continued

Record Retention Table – Including Paper and Electronic Records

<b>File Category</b>	<b>Item</b>	<b>Retention Period</b>	
<b>Corporate Records</b>	Board and committee meeting agendas and minutes	Permanently	
	Bylaws and Articles of Incorporation	Permanently	
	Conflict-of-interest disclosure forms	4 years	
	Corporate resolutions	Permanently	
<b>Finance and Administration</b>	Auditor management letters	7 years	
	Bank deposits	1 year	
	Capital asset acquisitions and invoices (including depreciation schedules)	Permanently	
	Chart of accounts	Permanently	
	Check register and checks (including vendor invoices And Accounts Payable)	7 years	
	Contracts including lease agreements and other agreements	7 years after Obligations	
	Correspondence — general	3 years	
	Customer and consumer related billings (Accounts Receivable)	7 years	
	Financial statements (audited) and all Filed Tax Returns	Permanently	
	General ledgers and journals (includes bank statements and all applicable financial work papers)	7 years	
	Investment performance reports	7 years	
	Payroll records (including timecards)	7 years	
	<b>Insurance Records</b>	Accident reports	7 years
Claims (after settlement)		7 years	
Group disability records		7 years after end of benefits	
Insurance Policies		3 years after Expired	

**WACOSA  
Internal Control Policy & Accounting Procedures**

Attachment K - Continued

Record Retention Table - Including Paper and Electronic Records - Continued

<b>File Category</b>	<b>Item</b>	<b>Retention Period</b>
<b>Real Estate</b>	Deeds, Mortgages, security agreements and bills of sale (including related legal correspondence)	Permanently
	Leases (expired)	7 years after all obligations end
<b>Tax</b>	IRS exemption determination and related correspondence	Permanently
<b>Human Resources</b>	Employee personnel files	7 years After Terminated
	Retirement plan & benefits (plan descriptions, plan documents)	Permanent
	Employee handbooks or changes	Permanent
	Workers comp claims (after settlement)	5 years
	Workers comp blood borne pathogen exposure	Permanent (30 years)
	Employee orientation and training materials	7 years after use ends
	Affirmative Action	3 years
	Applicant confidential data sheets	3 years
	Employment applications	3 years
	IRS Form I-9 (store separate from personnel file)	3 years
	Safety (OSHA) reports	5 years
	FMLA paperwork	7 years
	Withholding tax statements (Form W-4)	7 years after termination
<b>Technology</b>	Software licenses and support agreements	7 years after all obligations end

<H:\Accounting\Insurance Coverage\Insurance Summary.doc>

*WACOSA reserves the right to amend, modify, remove, suspend, terminate, or change this policy in whole or in part at any time with or without notice.*