

# Women's Leadership Alliance

## Financial Policy



### Philosophy

The purpose of financial management in the operation of all WLA activities is to fulfill the organization's mission in the most effective and efficient manner and to remain accountable to stakeholders, including partners, funders, employees, program participants, and the community. In order to accomplish this, WLA commits to providing accurate and complete financial data for internal and external use by the Executive Director and the Board of Directors.

### Authority

The Board of Directors is ultimately responsible for the financial management of all activities. The Treasurer is authorized to act on the Board's behalf on financial matters when action is required in advance of a meeting of the Board of Directors.

- The Executive Director is responsible for the day-to-day financial management of the organization. The Board authorizes the Executive Director to hire and supervise staff and independent consultants. Under the supervision of the Executive Director, the Chief Executive Officer (COO) has the authority to pay bills, receive funds, and maintain bank and trust accounts.
- The COO has the authority to process *pre-approved* and *budgeted* expenses. For *nonbudgeted* expenses, the Executive Director is authorized to approve payments up to \$2,500. Payments of *nonbudgeted* expenses exceeding \$2,500 shall require written approval of the Treasurer or Board Chair.
- The Executive Director is authorized to enter into contracts for activities that have been approved by the Board as a part of budgets or plans. The Board of Directors must authorize any contract outside of these parameters and all contracts with a financial value greater than \$10,000.
- The Executive Director is authorized to manage expenses within the parameters of the overall approved budget, reporting to the Finance Committee on variances and the reason for these variances.
- The Board of Directors must approve any use of Board Directed Funds (including "Sally Law" Funds).
- The RJ Trust Accounts of WLA shall be managed according to the terms WLA Corporate Trust Resolution.
- Administrative access to online banking and accounting systems shall be limited to the Executive Director, COO, and Treasurer, each with unique credentials and multi-factor authentication enabled.

### Responsibilities

*Under the Supervision of the Executive Director, the COO shall:*

- Account for donor restricted and board designated funds separately from general operating funds and clearly define the restrictions applicable to these funds.
- Report the financial results of WLA operations according to the schedule established by the Finance Committee, but at least quarterly.
- Pay all obligations and file required reports in a timely manner.
- Make no contractual commitment for bank loans, corporate credit cards, or for real estate leases or purchases without specific approval of the Board.
- Record fixed assets with purchase prices greater than \$500 as capital assets in accounting records
- Depreciation of capital assets will not exceed five years for furniture and equipment or three years for computer and other technology equipment.
- Limit vendor credit accounts to prudent and necessary levels.
- Obtain competitive bids for items or services costing in excess of \$5,000. Selection will be based on cost, service, and other elements of the contract. WLA may award the bid to any provider and is not required to accept the lowest cost proposal.
- Reconcile all transactions for Chase Checking, Chase Credit Card, and Raymond James Trust accounts monthly through QuickBooks Online (QBO).

*The Board of Directors shall:*

- Review financial reports at each board meeting.
- Provide adequate training to members to enable each member to fulfill his or her financial oversight role.

## **Account Management Processes**

### **Receivables**

- **Chase Checking:** Deposits electronically delivered to the Chase account will be verified by the COO as directed by the Executive Director.
- **Raymond James Trust:** Deposits intended for the Raymond James Trust account will be transferred by the Trust Manager as directed by the Executive Director.
- **Stripe:** Deposits made through WLA's online software, Stripe, will be automatically electronically deposited into WLA's Chase Checking Account.
- **By Mail:** Checks delivered to WLA directly will be forwarded by mail to the COO for deposit in WLA's Chase Checking Account within 7 days of receipt.

### **Payables**

All vendor and bill payments will be made from WLA **Chase Checking Account**. Payments may be processed using **Chase Bill Pay** or **ACH transfer**, for both recurring and individual expenses, at the discretion of the Executive Director.

- **Chase Credit Card:** Vendor and miscellaneous invoices may be approved for payment by the Executive Director on WLA Chase Visa Credit Card. Monthly credit card statements will be reviewed by the Executive Director and approved for payment of the full monthly balance by the Treasurer or Board Chair. Payment will be made by COO through Chase Checking Account transfer.
- **Independent contractor and vendor invoices:** will be reviewed by the COO and approved for payment from the Chase Checking Account. To ensure appropriate internal control and accountability, financial transactions involving senior executives shall include an independent review:
  - Payments to the COO (including reimbursements, contractor invoices, or other compensation-related disbursements) shall be reviewed and approved by the Executive Director prior to processing.
  - Payments to the Executive Director (including reimbursements, vendor payments, or contractor invoices) shall be reviewed and approved by the Treasurer or Board Chair before release.
- **Checks:** The Executive Director may sign bank checks drawn on the Chase Checking Account for miscellaneous payments totaling less than \$2,500.

## Account Balances

- **Chase Checking Account:** The organization's primary operating account will maintain a balance sufficient to cover approximately one month of average operating expenses. Balances exceeding three months may be transferred to the Raymond James Short-Term Trust account at the discretion of the Treasurer or Finance Committee. If the balance falls below one month, funds will be transferred from the Short-Term Trust to restore the minimum level.
- **Raymond James Trust Account ending 3400 (Short-Term Cash Account):** This account will hold approximately three months of operating expenses to provide liquidity for near-term needs. Balances exceeding six months of expenses will be transferred to the Raymond James Long-Term Investment Account.
- **Raymond James Trust Account ending 3401 (Long-Term Investment Account):** This account will serve as the primary investment account of WLA and hold long-term reserves. Transfers from this account to the Short-Term account will occur only to maintain required reserve levels.
- **Raymond James Trust Account ending 3402 (Board Directed Sally Law Fund):** To be used exclusively for board-directed disbursements and donor-designated gifts.

## Investment Accounts

See WLA Investment Policy.

## Financial Transactions with Insiders

No advances of funds to employees, officers, or directors are authorized. Direct and necessary expenses including travel for meetings and other activities related to carrying out responsibilities shall be reimbursed.

In no case shall WLA borrow funds from any employee, officer, or director of the organization without specific authorization from the Board of Directors.

### **Budget**

In order to ensure that planned activities minimize the risk of financial jeopardy and are consistent with board-approved priorities, long-range organization goals, the Executive Director shall:

- Submit operating and capital budgets to the Finance Committee in time for reasonable approval by the Board prior to each fiscal year.
- Use responsible assumptions and projections as background, with the general goal of an unrestricted surplus.
- The COO shall assist in preparation, monitoring, and reporting of budget performance throughout the fiscal year.

### **Gift Acceptance**

WLA will accept stock or other negotiable instruments as a vehicle for donors to transfer assets to the organization. Transfer and recording the value of the asset shall be done in a consistent manner and in compliance with accounting standards. The trust manager shall sell any stock given to the organization immediately upon receipt by the organization.

WLA may accept contributions of goods or services other than cash that are related to the programs and operations of WLA. Any other contributions of non-cash items must be reviewed and approved by the Board of Directors before acceptance.

### **Asset Protection**

In order to ensure that the assets of WLA are adequately protected and maintained, the Executive Director shall:

- Insure against theft and casualty losses to the organization and against liability losses to Board members, staff, or the organization itself to levels indicated in consultation with suitable professional resources.
- Plan and carry out suitable protection and maintenance of property and equipment.
- Avoid actions that would expose the organization, its board, or its staff to claims of liability.
- Protect intellectual property, information, and files from unauthorized access, tampering, loss, or significant damage.

- Receive, process, and disburse funds under controls that are sufficient to maintain basic segregation of duties to protect bank accounts, income receipts, and payments.

The financial records of the Women's Leadership Alliance shall be reviewed or audited annually by an independent Certified Public Accountant (CPA) firm. The Finance Committee shall oversee the audit or financial review process, ensure that any findings or recommendations are addressed, and present a summary of the results to the full Board of Directors. The audit or review engagement will be conducted in accordance with generally accepted accounting principles (GAAP) and nonprofit best practices.