



FINANCIAL TRAINING

Financial Policies & Procedures

Arizona Association of Conservation Districts

District Training Program

2018

Specific Training Modules

FINANCIAL POLICIES & PROCEDURES- THIS MODULE



OTHER MODULES LISTED BELOW FIND ONLINE - WEBSITE: www.aacd1944.com

- ❧ Fiduciary Duties
- ❧ Financial Planning
- ❧ Available Funding Mechanisms
- ❧ Fundraising
- ❧ Budgeting & Allocating Funding
- ❧ Grant Contracts & Agreements
- ❧ Audits & Reporting
- ❧ Accounting Methods & Financial Statements
- ❧ Internal Controls
- ❧ Personnel & Contractors
 - ❖ Records & Reporting

Financial Policies & Procedures



- ❧ What's in this Training Module?
 - ❧ Federal & State Policy Requirements
 - ❧ Financial Policy Structure
 - ❧ Financial Committee



Federal & State Policy Requirements



Link to Arizona's Natural Resource Commissioner's Website detailing requirements:

<https://land.az.gov/natural-resources/natural-resource-conservation-districts>

Financial Policy Structure



Examples of Financial Policy Structure to Consider:

www.business.vic.gov

What is a policy?

- ❧ A policy is a **statement that outlines the principles and views of a business** on each topic covered.
- ❧ Policies provide an overview of certain rules that you have in your business, and should.
- ❧ align with business goals and plans
- ❧ reflect the culture of the business
- ❧ be flexible
- ❧ be easily interpreted and understood by everybody in the business.

Financial Policy Structure



Examples of Financial Policy Structure to Consider:

www.business.vic.gov

- ✧ authorizations – for example, which job roles are allowed to authorize various activities within the business?
- ✧ bank accounts – when and how new bank accounts are opened
- ✧ new suppliers and how to choose them
- ✧ new customers and how to manage them
- ✧ buying and purchasing – for example, how to determine when stock, equipment and assets need to be purchased
- ✧ debt collection
- ✧ insurance and risk management.

Financial Procedure Structure



Examples of Financial Procedure Structure to Consider:

www.business.vic.gov

What is a procedure?

- ❧ Procedures are **clear and concise instructions on how to abide by the policy** and detail the sequence of activities that are required to complete tasks.
- ❧ They should include the 'how to' guidelines to achieve the necessary results, and be:
- ❧ factual, simple to understand and succinct
- ❧ written in a step-by-step style that shows people how to follow the procedure through from beginning to end
- ❧ include references or links to any related documents and forms that need to be completed when following the procedure
- ❧ in the best format for their purpose, for example a procedure could be presented as written steps, a flow chart or a checklist.

Financial Committee



Financial Committee Purpose:

Definition: The role of the financial committee is primarily to provide financial oversight for the organization. Typical tasks include budgeting and financial planning, financial reporting, and the creation and monitoring of internal controls and accountability policies.

Another set of eyes looking at budgeting, financial planning, internal audits etc.

REMEMBER:

Financial Committee can comprise of more than Board of Supervisor members

Consider local community members to help on committee (this helps spread the knowledge of Districts functions and contributions)

Consider Bank Managers, Business Owners, CPAs, Bookkeepers etc.

These same individuals can be asked to help with fundraisers

Financial Policies & Procedures



- ❧ Set financial policies in writing and ratify in minutes
 - ❖ Number and type of bank accounts
 - ❖ Check Signing Authority & Debit Cards
 - ❖ Reconciliations & Approval
 - ❖ Expenditure Approval
 - Who, What, When & How