

BENCO Personnel Manual

FINANCIAL POLICY

BUDGET

The budget is a formal approved financial plan for Benco for the fiscal year, which begins on July 1. The Finance Director and Executive Director will prepare the budget prior to the beginning of each fiscal year. The budget will be prepared in consideration of projections of income and expenses and service goals and priorities. The Executive Director will present the proposed budget to the Board of Directors for review and recommendations. The Board of Directors must approve the budget prior to commencement of the new fiscal year.

REPORTING

Financial statements will be prepared monthly and presented to the Board of Directors. The Board of Directors will review and approve the statements. Budget reallocations may be made upon recommendation of the Executive Director and approval by the Board of Directors.

FINANCIAL ACCOUNTABILITY

Benco will follow Generally Accepted Accounting Principles (GAAP) and Financial Accounting Standards Board (FASB) guidelines and will request an annual opinion statement from its auditing agent regarding its conformity. Benco has elected to report land and buildings at fair market value. Any concerns about Benco's conformity to accounting standards will be directed to the Benco Board of Directors and be acted upon within sixty days.

CONTRACTS/LEASES

The Executive Director will be responsible for evaluating the need for Benco to enter into a contract or lease. The Executive Director will provide a report to the Board of Directors on any new contracts or leases that Benco needs to establish.

LARGE PURCHASES

The Executive Director is authorized to obligate the organization for amounts up to \$5000.00. For amounts \$5000.00 and above, the Executive Director will get approval from the Board of Directors. The Personnel Director is authorized to write up to \$500.00 in the Administrative Petty Cash account. Anything more than \$500.00 must be approved by the Executive Director.

OUTSTANDING AND UNCLEARED ITEMS

Benco will not recognize checks older than 180 days of issue date. Benco accounts payable and payroll checks will be stamped with void after 180 days. After the 180-day timeframe all outstanding/uncleared items will no longer be valid.

CHARITABLE DONATIONS

Donated cash, materials, equipment, and services are items given to Benco without expectation of any compensation in return. All services and items will be tracked by the Finance Director. Cash and large in-kind donations will be tracked on the financial statements when required.

PAYROLL EXPENSES

Payroll will be computed and dispensed as outlined in the Benco Personnel Policies.

INSURANCE EXPENSES

The Executive Director is responsible for obtaining insurance coverage and determining the appropriate values of those insurance policies. The insurance policies will be reviewed by the Personnel and Executive Directors and renewed each year by an approved Brokerage Agency.

Benco will carry Workers Compensation insurance as prescribed by Oregon Law. Coverage will be for all employees. Independent contractors will not be covered.

Benco will carry replacement value property insurance on all of the programs.

Benco will carry general liability insurance for claims of bodily injury to residents or others who are injured as a result of any of Benco's operations.

Benco will carry Directors and Officers liability insurance to cover members of the Board for claims arising from the Board of Director's service to the company.

Benco will carry primary vehicle liability insurance to protect the company from bodily injury and/or property damage claims arising from the operator of motor vehicles owned or leased by Benco. Employee use of personal vehicles for Benco business will be covered by the employee's own vehicle insurance.

PETTY CASH DISBURSEMENTS

The Executive Director will establish the dollar amount to be funded. Funds will be reconciled and replenished monthly. All purchases must directly support the program. Funds may be used for necessary expenses incurred by employees that are working directly with the residents.

Note: To avoid an appearance of disguised wages or misuse of program funds, employees will be discouraged from using personal funds and subsequently requesting reimbursement for program expenses.

Each Program Coordinator will be responsible for overseeing the use and reconciliation of the petty cash funds in each program and for having those reconciliations cross checked by the Residential Director. Program fund reconciliations will be audited by the Financial Director.

Petty cash funds and supporting documents must be kept in a locked location.

INVESTMENTS

Funds may be invested to the extent that Benco maintains sufficient liquidity to meet operating requirements. The Executive Director is authorized by the Board of Directors to serve as the Investment Officer. The Executive Director will be responsible for authorizing and maintaining investments on behalf of and in conjunction with the Board of Directors. The Executive Director will routinely monitor the investments and make adjustments, as necessary.

The standard of prudence to be used by the Executive Director in the context of managing the overall investments will be the prudent investor rule, which states, "Investments will be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

Investment decisions should be based on the following investment objectives:

- To preserve and protect investment principle.
- To maintain investment diversification in security types and among financial institutions.
- To attain or exceed a market rate of return.

The Executive Director will create a portfolio of low-risk investments. Acceptable investments are limited to:

- Money Market Mutual Funds.
- Money Market Accounts.

The Executive Director, with assistance from the Finance Director will review at least once a year all institutions with which Benco investments have been made for credit worthiness and financial solvency. If the Executive Director is unable to conduct a satisfactory analysis, then the deposits in that institution will be limited to \$100,000 or that amount which is covered by FDIC, NCUA, FSLIC or SIPC insurance.

The Executive Director will provide at least a quarterly report to the Board of Directors. The report must list all of the current authorized financial institutions with which Benco has deposits or investments. In addition, for each investment the report must state:

- The investment type;
- The current value of the investment; and
- The interest rates.

The Executive Director will review the Investment Policy annually and submit any recommendations for modification to the Board of Directors. If however, there are substantial changes to the needs of objectives of Benco and/or market conditions, an immediate review will be conducted.

FILING OF REPORTS

The Executive Director is responsible for ensuring that all required business and regulatory reports are filed within the established deadlines.

PUBLIC INSPECTION AND COPYING OF RECORDS

Benco will maintain a Disclosure File that will be available for public inspection. The Disclosure File will contain:

- Articles of Incorporation.
- Form 1023 (Application for 501(c) 3 status).
- Most recent Federal and State tax returns (Forms 990 and CT-12).
- Most recent audited financial statement.
- Benco By-Laws.
- Business registry filed with the Secretary of State.

Form 990-T and names and addresses of contributors need not, and will not, be made available for inspection.

COPYING OF PUBLIC RECORDS

Upon request, and in compliance with federal requirements, Benco will make copies of the documents in the Disclosure File. If the request is made in person, every effort will be made to provide copies the same day, but copies must be made available within five days.

Requests for copies of documents in the Disclosure File that are made by any other method must be fulfilled within thirty days from the date the request was received.

FINANCIAL RECORD BACKUP SYSTEM

Benco's financial program, Certiflex has its own backup system. Financial data will be backed up at least once each week in Certiflex. The Certiflex system is then backed up on Benco's server. Benco's server is backed up off site by Benco's IT team.

RECORDS TO BE RETAINED PERMANENTLY

- Financial statements and general ledgers.
- Real estate documents.
- Audited financial statements.

RECORDS TO BE RETAINED AT LEAST TEN YEARS

- All documentation regarding handling of conflicts of interest.
- All documentation on any matter that may become a subject of a lawsuit or claim (including contracts, leases, etc.)
- Insurance information.

RECORDS TO BE RETAINED AT LEAST SEVEN YEARS

- Bank statements and canceled checks.
- Chart of accounts.
- Cash receipts and Disbursement's journal.
- Payroll timecards and records.
- Forms 990 and CT 12 and all tax records.
- Account payable invoices and cash payment vouchers.
- Account receivables detailed records.

DISPOSAL OF RECORDS

After the prescribed retention period is completed, financial records will be shredded in accordance with company confidentiality policies.

CONFLICT OF INTEREST

An actual conflict of interest occurs when a person, acting in their capacity as a Board member of Benco, takes an action or makes a decision for the purpose of receiving a beneficial effect or avoiding a detrimental effect on the person or the person's relative or any business with which the person or a relative of the person is associated.

REPORTING REQUIREMENTS

Any Board member with knowledge of an actual or potential conflict of interest on the part of that Board member or any other Board member of Benco will inform the entire Board of Directors of the conflict.

RESOLUTION OF CONFLICT

The Board of Directors will discuss the conflict-of-interest report with the interested person and obtain disclosure of the financial interest and all material facts. The Board will then, without the presence of the interested person, determine whether a conflict of interest exists. If a conflict of interest exists, the following precautions will be taken:

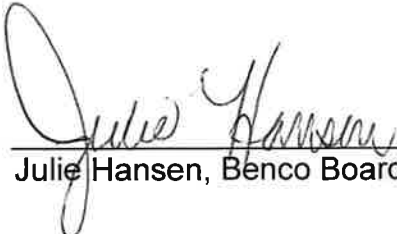
- The interested person may make a presentation to the Board of Directors but may not be present during the discussion of or the vote on the transaction or arrangement involving the conflict of interest.
- The Board of Directors will investigate alternatives to the proposed transaction or arrangement and determine if the transaction or arrangement is fair to the corporation.

- Board members who have no conflict of interest with the transaction or arrangement will vote to approve or deny the proposal.

The Board minutes will contain the names of the person(s) who had a conflict of interest, the nature of the financial interest, a summary of the discussion to determine whether a conflict was present, and a record of the vote taken.

CONSEQUENCE OF FAILURE TO REPORT CONFLICT OF INTEREST

Failure to disclose a potential conflict of interest may result in removal from the Board of Directors.

Approved by: 
Julie Hansen, Benco Board President

Date: 9/26/23