Financial Policy

# Madison SWCD and Clark SCD

Sound financial reporting is an essential element of public-sector accountability to the citizens they serve. This policy defines basic accounting and cash control policies. It is designed to protect and enhance the security of the Madison SWCD and Clark SCD financial functions, promote the maintenance of accurate records of financial activities and facilitate compliance with governmental and private funding source reporting requirements. The Madison SWCD and Clark SCD supervisors formulate policies and supervises the District Employee who is/are responsible for the daily operations and activities of the conservation district.

# FISCAL AUTHORITY

**Conservation District Supervisors:**

The financial resources of Madison SWCD and Clark SCD are the responsibility of the district board supervisors. Conservation district board supervisors are elected officials and serve without compensation.

Each district is responsible to:

* Provide guidelines for management and allocation of financial resources which seek to produce optimum benefit for those we serve.
* Monitor and evaluate the financial plans of the conservation district and to maintain the financial integrity of the conservation district.

# District Employee

An annual operating budget will be prepared by the District Employee and presented to the conservation district supervisors for approval. The budget will reflect the estimated cost of carrying out the programs and services of the conservation district for the next fiscal year and the anticipated revenues of the conservation district.

The District Employee is the primary purchasing agent for the conservation district under the supervision of the district board and is responsible for all conservation district contracts, orders and purchases.

To help reduce the risk of financial loss to the conservation district, the District Employee, in conjunction with the district boards, will implement procedures to:

* Prevent embezzlement.
* Ensure against liability losses (to Board members)
* Properly maintain facilities and equipment.
* Limit exposure of the conservation district, the supervisors and staff to claims of liability.
* Ensure funds are disbursed only in compliance with Board authorization and applicable state or federal laws.
* Prepare checks per submitted invoices. District Employee will write the checks but does not have signing authority for the checking account.
* Prepare a detailed list of transactions from the checking account. Ensure invoices are paid in a timely manner to maintain the conservation districts credit worthiness.
* Bring the appropriate conservation district checkbook to each conservation district meeting so that checks can be signed at the meeting as needed.
* Reconcile QuickBooks with the monthly bank or financial institution statement.
* Serve as the administrator for the LGIP (Local Government Investment Pool) account and has access to the online account.
* Prepare the annual budget and any requested budget vs spending reports throughout the fiscal year.
* Prepare and submit the year-end financial reports as required by the Idaho Central Registry Portal.
* Prepare and submit the match report as required by the Idaho Soil & Water Conservation Commission.
* Submit required paperwork to county and or city officials to receive local government funding.
* Invoice any partners, as needed, to receive funds for the general budget or to reimburse expenses.
* Deposit all checks received by the conservation districts within 15 days of receipt.

# Conservation District Treasurer:

Each conservation district will elect its own treasurer. A current surety bond provides a bond for employees and supervisors serving as treasurer.

* Open the mailed bank statements and reconcile the checking account with the bank statement.
* Review the prepared checks with the corresponding invoices. Sign checks.
* Review any credit card receipts and compare to the credit card statement.

# Supervisors:

The District Employee will give the financial report at monthly meeting that includes a detailed list of transactions from the checking and savings accounts, and also LGIP accounts.

# Conservation District Staff:

All conservation district staff will be familiar with this policy and, as public servants, will exercise fiscal responsibility regarding their use of conservation district funds.

# Basis of Accounting:

The conservation districts fiscal year is July 1 through June 30.

The accounts of the conservation district are maintained on the modified accrual basis of accounting.

# Bank Statements and Reconciliation Reports:

Bank statements are reviewed by both the District Employee and conservation district treasurer. The treasurer will open the mailed bank statements and reconcile the checking account with the printed bank statement.

The District Employee will reconcile the QuickBooks account to the printed statement monthly.

# Investments:

Idaho Code provides authorization for the investment of funds as well as specific direction regarding allowable investments. The conservation districts policy is consistent with this direction. The conservation districts invest in interest bearing bank accounts and/or the State of Idaho Local Government Investment Pool (LGIP). The District Employee is the administrator for the LGIP account.

# Financial Reserve:

Reserve balances will be reviewed to ensure adequate reserves in the General Fund to sufficient to maintain conservation district operations for at least one year.

# Credit/Debit Card:

Charges on the conservation district-issued credit/debit card are reviewed each month by the board supervisors and initialed as approved by the treasurer.

# Conflict of Interest:

A conflict of interest occurs when a person has a private pecuniary interest in any conservation district decision or action. It is also important to avoid the appearance of a conflict of interest where a person's private interests compete with his or her professional obligations to the Board-governed entity to such a degree that an independent observer might reasonably question whether the person's professional actions or decisions are materially affected by personal considerations, including but not limited to, personal gain, financial or other benefit. Public officials and employees are prohibited from having a direct or indirect interest in transactions with the units of government that they serve without appropriate disclosure.

# Other Policies:

If an employee or volunteer has a reasonable belief that an employee, volunteer or supervisor of the Clark or Madison conservation districts has engaged in any action that violates any applicable law, or regulation, including those concerning accounting and auditing, or constitutes a fraudulent practice, or a conflict-of- interest, the employee is expected to immediately report such information to the District Employee. If the employee does not feel comfortable reporting the information to the District Employee, he or she is expected to report the information to the Board Chair.

Other policies governing travel, expenses, mileage, supplies, equipment and telephone use are contained in the Conservation District Employee Handbook.

A financial review or audit shall be conducted whenever revenues exceed the state mandated threshold, a new District Employee is hired or board supervisors deem a financial necessary and or warranted.

Adopted by the Clark SCD on ?????????

Adopted by the Madison SWCD on ????????