IV. CASH AND CASH MANAGEMENT

A. General Checking Account (operating account):

The main operating account provides for routine business check disbursements. All cash and credit card deposits, whether received at the MQ office or check card payments are made to this account.

Cash transfers are done on an as needed basis to cover disbursements. Excess funds in this account are transferred into short-term investments or higher interest-bearing cash equivalents.

B. Bank Reconciliation

Bank account statements are retrieved online each month. Obtained online and printed. Reconciliation between the bank balance and general ledger balance is prepared by the Bookkeeper. It is the policy of MQ to complete the bank reconciliation process within 30 days of receipt of each bank statement.

All bank reconciliations, are reviewed by the Board Treasurer on a monthly basis; Treasurer initials them indicating they have been reviewed.

Bank reconciliation and copies of all journal entries are filed in the current year's accounting files.

C. Cash Flow Management

The Board Treasurer monitors cash flow needs on a regular basis to eliminate idle funds and to ensure that payment obligations can be met. Cash transfers between accounts are performed on an as-needed basis.

D. Stale Checks

It is the policy of MQ to write off checks that are less than $1,000 and more than 6 months old that have not cleared the Organization's bank. For un-cashed checks that are more than 6 months old and that exceed $1,000, contact will be made with the payee to resolve the issue.

All stale checks that are written off within the same fiscal year as they were written shall be credited to the same expense or asset account that was debited when the check was written, or the expenditure incurred. For stale checks written off in fiscal years subsequent to the year in which the check was written, the credit shall be to miscellaneous income.

E. Petty Cash

It is the policy of MQ to provide for imprest funds (used for payment of minor office expenditures, not for travel or employee advances) only for valid transactions and to periodically replenish these funds up to its authorized balance. It is the responsibility of the Bookkeeper to ensure that the petty cash fund is locked at all times. Petty cash fund will be reconciled and replenished as needed.

All disbursements from the petty cash fund must be accompanied by a completed and approved receipt. Receipts or completed petty cash forms including written explanation of purpose are required for all disbursements from petty cash.

The petty cash custodian shall prepare a reconciliation of the petty cash account on a periodic basis.
Petty cash reconciliation is subject to review by the Board Treasurer, who may also perform periodic surprise cash counts and reconciliation.

F. Wire Transfers
The Board Treasurer and the Board President(s) shall be the only MQ persons that are authorized to transact wire transfers from MQ bank accounts. To prevent anyone other than the Board Treasurer and President(s) from transacting wire transfers, a system shall be employed that requires the use of passwords. Passwords should be changed annually.

G. Reserve
MQ shall maintain a reserve fund to support six-twelve months of the current operating level of the annual budgeted operating expenses net of fundraising. (The balance in the reserve fund is the total cash plus marketable securities less any restricted funds for a project or service.) The Board of Directors determines this amount annually.

H. Bank Accounts/Safe Deposit Boxes
The President(s), President-Elect(s), and Treasurer are the only MQ officers authorized to sign checks or make withdrawals on the MQ’s checking and savings accounts or to have access to and withdraw items from any safe deposit box rented by MQ.

I. Credit Card Use Policy
At the start of each fiscal year, the Board Treasurer will work with the bank to update who has a MQ credit card. Outgoing Board positions should return their credit card to the Board Treasurer. The Board Treasurer will work with the bank to get appropriate incoming Board positions a credit card.

Credit cards are available to: Show Director, Show Coordinator(s), Office Administrator, Bookkeeper, and Board President(s).

Each person issued a MQ credit card must sign a document with the following agreement:

MQ policy is that the US Bank credit card is to be used for Minnesota Quilters, Inc. (MQ) business only. This card is not authorized for personal use. Using MQ’s credit card for your personal purchases will lead to disciplinary action, up to and including suspension of credit card privileges and termination of board position (or employment). All billing statements for MQ’s credit cards are scrutinized carefully. No one individual is singled out. Remember that it is a privilege to use Minnesota Quilter’s credit card, and that the card is a sign of MQ’s trust in you. Please treat this privilege with respect.

Approved 15 November 2016