

Acme Nonprofit  
Financial Control Policy

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This policy establishes controls for handling receipts and disbursements, including notation of what transactions require Board approval.

1. Check-Signing Authority. The board chair, treasurer, chief executive, and one senior staff member other than the director of finance, as designated by the chief executive, are authorized to sign checks.
2. One Signature Authorized. Checks up to \$250 require one signature.
3. Two Signatures Required. Checks over \$250 require the signature of two of the following: the board chair, treasurer, chief executive, or other senior staff member as designated above.
4. Board Approval Required. Board Pre-approval for expenses in excess of \$1000 is required.
5. Self-signing Checks Prohibited. No one may sign a check payable to oneself, either as a sole or a secondary signature.
6. Cash Disbursements. Cash Disbursements are discouraged; however, an authorized check signer will make disbursements only upon review and approval of the transaction. This will include review for the existence of proper supporting documentation, such as a purchase order and evidence of the receipts of the goods and services.
7. Collection of Funds and Deposits. Ideally, the person that writes checks does not make deposits. For all deposits, careful record funds must be made, including fund account deposited to, purpose of deposit, donor (or payor), and amount. Copies of all checks are encouraged. If possible, deposits should be verified and initialed by another staff or Board member.
8. Board and Staff Fiduciary Duty. It is the duty of any Board and Staff member who has authority to sign check to verify that there are sufficient funds available for payment of the checks before affixing his or her signature.
9. Board Approval Required for all Credit and Borrowing Transactions. Board approval must be obtained for all applications of credit and loans. At least two signatures, at least one of which must be a Board Member, are required to obligation Acme for any loan or extension of credit.
10. Credit Cards and ACH Payments prohibited. Except for payroll and as otherwise specifically approved by the Board, use of company credit cards or ACH payment of expenses is prohibited.