



Statewide Independent Living Council Policies and Procedures

Statewide Independent Living Council of Tennessee stands for equality, equity, and inclusion.

We stand with our brothers and sisters from every diverse community, who are held as "less than" by anyone.

Bigotry, bias, and injustice have no place in our lives!

We stand with and for ALL people!

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Purpose

The Statewide Independent Living Council of Tennessee (SILC) has developed and enacted the following policies and procedures by decision of the Council.

These policies and general operating procedures were enacted and are being adopted for the effective operation of the SILC. The day-to-day functional implementation of these policies and procedures is the responsibility of the Executive Director.

Organizational policies and procedures may be amended by the Council on recommendation from the Executive or Policies & Procedures Committee. At least biannual review by the council should occur to determine if changes are necessary.

Introductions

1. Mission Statement

The mission of the SILC is to promote independent living philosophies, practices and values, and expand Independent Living (IL) services across the state.

2. Authority for Statewide Independent Living Council (SILC)

The SILC is an independent 501c3 nonprofit organization that works alongside the Division of Rehabilitation Services (DRS) and the Centers for Independent Living (CILs) to increase the impact of IL services in Tennessee.

The SILC is governed by the Rehabilitation Act as amended in 1998, all other applicable federal and state laws, and the SILC's by laws. If you would like copies of any or all of these laws, the Executive Director will assist you in obtaining them.

3. Network of Centers for Independent Living (CIL's)

The CILs are non-residential places of action and coalition, where persons with disabilities learn empowerment and develop skills necessary to make lifestyle choices. CILs provide services and advocacy to promote the leadership, independence, and productivity of people with disabilities. Centers work with individuals, local communities, government agencies, and the SILC to remove barriers to independence and to ensure equality of persons with disabilities.

CILs that are funded through Part B or Part C funds shall be considered centers related to signing the SPIL. Each entity can only have one vote/signature, even if they have multiple sites or grants. If another entity wishes to be considered as an additional center for purposes of signing the SPIL, the entity must request that designation in writing and submit that request to the Chair with evidence that the entity is private, non-profit, community-based, non-residential and consumer controlled.

4. State Plan for Independent Living (SPIL)

The State qualifies for federal independent living (IL) funds because of the existence of the SILC and the SILC's federal mandate to develop a three-year State Plan for Independent Living (SPIL) which outlines IL priorities and identifies IL needs for New Mexico citizens. The SPIL is conjointly developed by the Statewide Independent Living Council and the Directors of the Centers for Independent Living. The SILC must receive public input from individuals with disabilities and other stakeholders about the proposed SPIL. The SPIL is signed by the Chairperson of the SILC, the director of the Designated State Entity (DSE), and a majority of the directors of the Centers for Independent Living. The Chairperson will designate a subcommittee to develop the SPIL and coordinate the necessary activities.

I. Membership Recruitment and Training

Policy

The SILC shall recruit appropriate members through its Membership Committee.

The Bylaws of the Council address in Article IV the qualifications of council members, composition of the Council, appointment, and appointment terms. The SILC members are appointed by the Governor.

Procedures

There shall be a consistent application packet that includes:

- A Cover Letter from the Membership Committee; to provide brief description of relationship to IL and why they are a fit for the SILC.

- The Tennessee Boards and Commissions application; must be signed to be considered complete.

- A current resume to be provided by the applicant; resumes do not require a work history and may consist of volunteer and community activities.

The Membership Committee shall perform a formal annual drive for membership each completed by June; and make ongoing efforts to recruit new members throughout the year.

If a completed packet is received by June 1st, it shall be considered by the Membership Committee for that year's nomination process. At other times, completed packets will be considered on a rolling basis, as needed to replace SILC members who leave unexpectedly or at least two (2) months prior to a member's term expiration.

Once an application is received, the SILC staff shall review for completeness:

Incomplete applications shall be returned to the applicant with a written explanation;

Complete applications shall be acknowledged by email and kept on file.

The SILC shall contact each applicant whose application is more than six (6) months old to confirm the applicant's continued interest and to update contact information.

The Membership Committee shall meet to review applications and prepare a complete list of nominations to present at appropriate Quarterly meeting.

Once the slate of candidates has been reviewed by the Council, the SILC staff will complete a coversheet (showing an overview of the applicants, the roles they're filling, regions, and suitability for the Council) and submit this with the applications in a Nomination Packet to the DSE Liaison.

The DSE Liaison will review the Nomination Packets to ensure the application is properly completed and communicate with the SILC as to the thoroughness. Then the Nominations Packets will be submitted to the Governor's Office for consideration.

The SILC staff will communicate with the Governor's office regarding appointments at least once a year to ensure efficiency and timeliness in process. This can be done in conjunction with the DSE Liaison as appropriate.

II. Open Meetings

Policy

SILC meetings, forums, hearings, and any other events are accessible and open to the public per the Tennessee Open Meeting Act (TOMA).

Procedure

Meetings are scheduled by the Council at the third quarterly meeting based on the calendar year and advanced forward. Adequate meeting notice is provided to all members, at least 30 days in advance. The meetings are held quarterly and are open to the public. The meetings must adhere to the requirements of the Open Meetings Act (TOMA). Agendas for the meetings will be posted to the SILC's website at least 3 days in advance. Minutes are taken at every meeting and are posted to the SILC website.

Executive Session meetings can be called in special circumstances allowed by TOMA. It is permissible for the Executive Session to have a "retreat" or a closed-door meeting during which the relations of council members are discussed or the functions of the board are addressed in general, as long as no matters of business are discussed. Minutes and agendas are taken at every meeting and are posted to the SILC website.

In order to ensure equal access and participation in all SILC activities, auxiliary aids, alternate formats, and services are made available to individuals with disabilities upon a timely request, at least 10 days in advance. All meeting notices include accessibility statements.

SILC meetings are governed by parliamentary procedure as defined in Robert's Rules of Order Newly Revised.

All notices shall clearly indicate the purpose of the meeting, forum, or event.

Any public comments at the regularly scheduled meetings of the Council shall be limited for the open forum as noted on the agenda between 3-5 minutes, unless the Chair grants more time.

Any member of the public may request to be placed on the agenda for a specific purpose and a longer amount of time rather than addressing the Council during the open forum. The SILC encourages and seeks incorporating public input into developing, monitoring, reviewing, and evaluating the implementation of the State Plan.

Meetings have historically been an in-person format. However, virtual meetings that follow OMA are permissible. Virtual meetings, electronic online meetings, and conference calls can comply with the OMA if they meet the goals of the OMA to provide a meaningful opportunity to observe the conduct of public business. Emergencies can also justify a public body's departure from its customary and usual practices if meaningful opportunity is provided.

III. Title VI Non-Discrimination

Policy

The SILC provides equal opportunity and access to its programs and activities by the public, and in its hiring and employment practices. The SILC prohibits discrimination in all activities based on race, color, creed, religion, sex, national origin, age or disability.

Procedures

All complaints or grievances under this policy will be submitted to the SILC Executive Director:

Statewide Independent Living Council of TN

23 Federal Drive

Jackson, TN 38305

(615) 255-0283

The Executive Director will evaluate each complaint and address as necessary. All complaints and their resolution will be reported to the Chair of the Council at least on a quarterly basis, if applicable. If the complaint is against the Executive Director, the complaint will be reviewed and acted on by the Chair of the Council.

IV. Conflict of Interest

Policy

SILC members and employees are expected to support the work of the Board and to refrain from actions that would interfere with the success of the SILC. SILC members and employees have an obligation to conduct business within guidelines that prohibit actual or potential conflicts of interest. SILC members and employees should not provide any information to a competitor (an entity competing for the same grant, contract, etc.) that would adversely affect the SILC's success in its endeavors. Likewise, SILC members and employees should not take

advantage of opportunities for personal gain when dealing with grantees, suppliers, customers, etc.

Procedure

Any SILC member or employee that has a concern that a conflict of interest is present or may appear to be present, should inform the Executive Director or Chair immediately.

Conflict of Interest forms should be signed by SILC members and employees annually to ensure policy is in force and that conflict of interest is understood by all SILC members and employees. Executive Director will collect all Conflict of Interest forms annually and store them electronically.

V. Financial Policies

1. Introduction

The following accounting manual is intended to provide an overview of the accounting policies and procedures for Statewide Independent Living Council of Tennessee, which shall be referred to as "SILC" or "the Organization" throughout this manual.

SILC is incorporated in the state of Tennessee. SILC is exempt from federal income taxes under IRC Section [501(c)(3)] as a nonprofit corporation.

This manual shall document the financial operations of the Organization. Its primary purpose is to formalize accounting policies and selected procedures for all staff who have a role in accounting processes and to document internal controls.

If a particular grant or award has provisions that are more restrictive than those in this manual, the more restrictive provisions will be followed only for that grant or award.

The contents of this manual were approved as official policy of the Organization by the Council Members. All SILC staff members are bound by the policies herein, and any deviation from established policy is prohibited.

2. Financial Structure Overview

Division of Duties

The SILC's financial duties are carried out by a combination of staff members, a bookkeeper and/or accountant (who may or may not be outsourced), and the Council Treasurer and Council Chair.

SILC financial duties will be divided as follows:

Employee 1 and 2 (Mail Center designated employees):
Employee 1 opens and dates mail and makes copies of checks received (including returned or voided checks) and prepares Bank Deposits and Accounts Received Record; Employee 2 verifies the deposit and Accounts Received Record, deposits money in the bank; forwards all mail and receipts of Accounts Received to the SILC.

Employee 3 (Executive Director of the SILC): orders check stock for Accountant's office and has access to the bank account; prepares annual budget; reviews and sends to Bookkeeper the Receivable Accounts Record, the Check Requests, and monthly bank statements; can approve expenses requested by a member of the SILC Council; signs checks if requested and approved by two members of the Executive Council; signs and maintains leases and insurance

agreements; and reviews, signs, and reports on grant contracts.

Accountant and Bookkeeper: Bookkeeper maintains QuickBooks journal entries and posts to general ledger all receivables, expenses, income and voided or returned checks; the Accountant prepares financial statements and budget in QuickBooks; pays all employee payroll and unemployment taxes; files quarterly and annual payroll tax reports, including W-2s and 1099s; performs bank and general ledger reconciliations; and prepares annual 990 and the annual charitable solicitations report.

Council Member (Executive Council): collaborates with Employee 3 in preparing the budget; signs checks; and approves all expenditures (all expenditures will be requested, approved, and have the check signed; by three different people who include the Executive Director, the Chair, Vice Chair, Treasurer, or Secretary).

The Executive Director usually requests the payment, a Executive Council Member will approve it and a second Executive Council Member will sign the check. In emergency procedures such as the case of a pandemic; this procedure may be changed to include an Executive Council Member requesting the payment, a second Executive Council Member approving the expense, and the executive Director signing the check. There is still a triple check on funding expenses.

Fiscal Year of Organization

SILC shall operate on a fiscal year that begins on July 1st and ends on June 30th.

Security

Check Stock

SILC has no blank check stock. All checks are ordered through the bank account and stored at Accountant's office.

Electronically Stored Accounting Data

SILC utilizes passwords to restrict access to accounting software and data. All staff members, bookkeepers/accountants, and designated Council Members who are allowed Electronically Stored Accounting Data (such as the bank account) have unique logins and passwords so activity can be tracked.

Only duly authorized personnel with financial responsibilities will be assigned passwords that allow access to the system. Personnel and designated Council Members are expected to keep their passwords secret and to change their passwords on a regular basis, no less frequently than every 6 months. Administration of passwords shall be performed by Employee 3.

Storage of Sensitive Data

In addition to accounting and financial data stored, other sensitive data, including protected personally identifiable information (PII) such as social security numbers of employees may be stored in password protected areas.

General Ledger

The general ledger is the collection of all asset, liability, net assets, revenue, and expense accounts. It is used to accumulate all financial transactions and is supported by subsidiary ledgers that provide details for certain accounts. The general ledger is the foundation for the accumulation of data and production of reports. The SILC's general ledger is maintained by a bookkeeper/accountant who may or may not be outsourced.

Employee 3 monitors and controls the chart of accounts, including all account maintenance, such as additions and deletions.

Journal Entries

All general ledger entries that do not originate from a subsidiary ledger shall be supported by journal vouchers or other documentation, including an explanation of each such entry. The SILC's journal entries are made by a bookkeeper/accountant who may or may not be outsourced. All journal entries not originating from subsidiary ledgers shall be authorized in writing by Employee 3 by signing the entries.

Examples of such journal entries are:

- Recording of noncash transactions
- Corrections of posting errors
- Nonrecurring accruals of income and expenses
- Drawdown of Federal funds
- Interest earned

3. Policy and Procedures Associated with Revenues and Cash Receipts

Overview of Gift Acceptance Policies

A gift/contribution is contribution given to the Organization for which the donor receives no direct benefit and requires nothing in exchange (it is nonreciprocal) other than assurance that the intent of the contribution will be honored by SILC.

Three broad principles apply to all gifts given to the Organization:

A gift shall not be accepted that is not in the charitable interest of the donor, considering the donor's financial situation and philanthropic interests, as well as tax, legal, and other relevant factors.

A gift shall not be accepted unless there is a reasonable expectation that acceptance of the gift shall ultimately benefit SILC.

SILC will not accept any donations that imply endorsement of businesses, products or services. Donor businesses may not use SILC's name for promotion of any product or service.

Sources of Revenue

Discretionary grants – Drawn down as needed to cover immediate cash needs, or as funders require, based on allowed, incurred expenses through reimbursement.

Private grants – funds are usually received once funding is approved. Financial expenditure reports, if required, are submitted as required by funding sources.

Donations/Contributions – may be solicited or unsolicited.

Other lesser sources of income will be collected and recorded when the services are provided.

Discretionary and Private Grants

Advances

Grants allowing cash advances shall be drawn down in conjunction with the accounts payable and payroll schedule, based on minimum amounts needed to cover the allowable project costs, be timed in accordance with the actual immediate cash requirements of carrying out the approved project. Draws cannot be made to cover future expenditures.

When a grant is paid in advance, the entire grant will be recorded as a grant receivable and deferred revenue when the grant is received. During the year, when cash is received for expenses incurred, the deferred revenue and grant receivable are reduced, and cash is recorded as grant income. At the end of the fiscal year, the remaining deferred amount will offset the remaining receivable.

On a monthly basis, the bookkeeper will reconcile a detailed accounts receivable report to the general ledger. Employee 3 will review the reconciliation and ensure that all variances are immediately investigated and resolved.

Reimbursement

Grants paid through reimbursements shall be billed through monthly invoices. The funds will be direct deposited into the bank account. The deposit receipt will be received by email from the funder. These receipts will be sent to the bookkeeper/accountant for documentation.

The income from reimbursement grants will be recorded when the invoice is paid to the SILC.

Reporting

SILC will provide management, staff, and funding sources with timely and accurate financial reports applicable to federal awards. These reports include cumulative expenditures, a year to date budget, and an over/under budget column. SILC shall prepare and submit financial reports as specified by the financial reporting clause of each grant or contract award document. Preparation of these reports shall be the responsibility of the bookkeeper and approved by Employee 3. The Council shall review these reports at least quarterly.

Donations/Contributions

Donor Privacy

SILC respects the privacy of its donors and recognizes that donors wish to be connected to the Organization. The Organization uses donor information to notify them of information, plans and activities. Donor information is shared with staff, board members, volunteers and consultants on a "need-to-know" basis. SILC does not share their donor list with any third party unless donor permission has been granted. Requests to remain anonymous will be honored.

Cash and Check Donations

Cash (including checks payable to the Organization) is the most liquid asset an organization has. Therefore, it is the objective of SILC to establish and follow the strongest possible internal controls in this area.

Bank deposits will be made within one week of receipt, unless the total amount received for deposit is more than \$500, in which case it will be deposited that day. In no event shall deposits be made less frequently than weekly. Undeposited checks and cash shall be maintained in a locked box and kept in a secure area until deposited. Such cash will not be used as petty cash or to make change.

On a monthly basis, the bookkeeper who does not prepare the initial cash receipts listing or bank deposit, shall reconcile the listings of receipts to bank deposits on the monthly bank statement. Any discrepancies shall be immediately investigated.

The processing of receiving cash and check donations follows the Revenue Receipts Process described below.

Record the receipt of cash and checks in the Receivables Account Ledger which includes the following information:

Check number (when appropriate)
Amount in the appropriate column for cash or checks
Date of receipt
Name of payee
Description (purpose of payment)
Received by (receiver's initials)
Receipt number
Signature

Information on restriction of gifts shall be communicated to the bookkeeper/accountant so the gift can be recorded and governed according to the wishes of the donor.

After funds are deposited, Employee 1 will acknowledge gifts with a written acknowledgement within 3 business days of receipt.

For donations or purchases made by credit card through the Organization's website, the following procedures will be followed:

Charges will be processed by an outsourced service provider.

The service provider will send an email to Employee 3 with each amount charged for a donation or an item purchased and the contact information of the donor/purchaser.

Employee 3 will send a copy of the notice to the bookkeeper/accountant to be used to reconcile the bank statement.

Recording of the revenue will be done monthly into the Organizations donor database and then into the accounting system with a journal voucher.

Volunteer Time and Services Policies

Volunteer services furnished by professional and technical personnel, consultants, and other skilled and unskilled labor will be included as in-kind if the services are an integral and necessary part of the program. Examples of contributed services received and recorded as income and expense by SILC may include social work interns.

Volunteer services will be valued at rates consistent with those paid for similar work in the Organization. For skills not found in the Organization, rates will be consistent with those paid for similar work in our labor market. Rates should include gross hourly wages plus fringe benefits calculated based on fringe benefits received by employees in similar positions, or on agency average. Volunteers must possess qualifications and perform work requiring those skills in order to be valued at greater than an unskilled labor rate. SILC requires volunteers to document and account for their contributed time in the same manner followed by employees.

Donated Supplies Policies

Donated supplies must be used in the program and shall be valued at fair market value at the time of donation. Supplies can be counted as match only if the program would have otherwise purchased such items with federal funds.

Resource Development Events

Activities of SILC will not include gaming (e.g., bingo, pull tabs, or any other type of gaming).

SILC shall maintain a subsidiary record that tracks each special fund-raising event sponsored by the Organization. Employee 3 shall be responsible for maintaining this subsidiary record, with assistance from the Executive Council. The following information shall be tracked on an event-by-event basis for purposes of possible disclosure in the Organization's annual Form 990 information return with the IRS:

Description and location of the event (including an indication of whether any type of gaming activities took place in connection with the event).

Total gross proceeds received in connection with the event.

Portion of the proceeds considered to be a contribution (equal to the amount received less the fair value of any benefits provided to donors).

Total costs of the event.

Portion of the costs attributable to direct donor benefits (i.e., the cost of any benefits provided to donors, such as the cost of green fees or a meal provided to attendees at a fund-raiser).

Portion of the total costs associated with:

Rent or facility costs

Cash prizes, if any

Noncash prizes, if any

Food and beverages

Entertainment

Fees paid to (or retained by) an outside fund-raiser

The percentage of the overall labor effort involved in the event that was contributed by volunteers (this schedule should show total hours associated with paid employees/contractors and total hours associated with volunteer efforts).

The names and addresses of any outside fund-raiser used in connection with the event.

An indication of whether any outside fund-raiser ever took custody, even temporarily, of funds raised for SILC in connection with any fund-raising event.

Revenue Receipts Process

Employee 3 downloads (saves as a PDF and prints) or gathers from the mail the monthly SILC revenue receipts including cash/checks, online donations, donated supplies, and grant payment acknowledgment.

SILC revenue are copied for paper records (except for cash) and entered into the Receivables Account Ledger by an Executive Council member.

Employee 3 drafts donation acknowledgement letter, prints, and prepares for designated Executive Council Member.

Employee 3 submits donation acknowledgement letters and Receivables Account Ledger with supporting documentation to designated Executive Council Member for review and signatures.

Designated Executive Council Member then signs and sends acknowledgement letters to donors, endorses the check 'for deposit only', and sends a copy of the approved Receivables Account Ledger to Employee 3 to get it to the Accountant & Bookkeeper to enter revenue into the general ledger in QuickBooks.

Employee 3 or designated Executive Council Member deposits the cash and checks in the bank.

Revenue Recognition Process

SILC receives revenue from several types of transactions. Revenue from each of these types of transactions is recognized in the financial statements in the following manner:

Grant income – Monthly journal entry for draws to cover immediate cash needs for allowable costs.

In-Kind Contributions or Donated Services – Recognized as income at end of fiscal year.

Nongovernmental Cash Contributions – Recognized as income when received, unless accompanied by restrictions or conditions.

Pledges Income – Recognized as income when pledge form is received.

Interest income – Monthly journal entry based on when it was earned.

Policy and Procedures for Expenditures and Disbursements

The process for processing expenditures and disbursements are all done by SILC staff and designated Council Members except for payroll and taxes.

Employee 3 downloads (saves as a PDF and prints) or gathers from email or mail (sent from JCIL employee 2) the monthly SILC expenses/bills/invoices/requests for reimbursement.

SILC expenses are then stamped for Check Request by Employee 3. The stamp will have a place to gather the requestor's signature/ initials, the approver's signature, the amount, the

date, the account or class the expenditure is classified as, and the payment method.

The invoice with stamp is reviewed and approved/signed by two of the designated Executive Council Members and the Executive Director. Expenses will be requested, approved and checks signed by three people consisting of the Executive Director and two of the designated Executive Council Members.

Employee 3 then sends a copy of the approved invoice to the Bookkeeper to enter payments into the general ledger in QuickBooks.

Employee 3 then pays the bills through auto pay online, by requesting a check through the bookkeeper, or by notifying the bookkeeper of approval of direct deposit. Direct deposit payments are approved by the Executive Council. If a check is requested, it will not be signed by the requestor or the approver of the invoice.

Payroll

Payroll is processed by CPA firm.

The bookkeeper and accountant pays payroll twice a month on the 15th & 30th (31st) of the month for work performed in the preceding month, as well as, paying any payroll unemployment etc. taxes.

All contractor and employee time sheets are submitted to designated Executive Council Members for approval, except for the Executive Director, whose time sheet is approved by the Council Chair/ Vice-Chair. All staff, exempt and non-exempt, are required to keep and submit time sheets for approval.

All staff with hourly wages must submit a signed time sheet for approval and submission to the bookkeeper/accountant within 3 business days before the payroll processing date.

Bank Accounts, Checks, and Debt Cards

Only the Executive Director and the designated Executive Council Member(s) have access to the bank account through which checks can be ordered. Everyone has a unique bank account login and password.

There are no paper checks onsite in the SILC offices. All payments are made by ordering checks through the bookkeeper, paying with the SILC credit card online, or payroll direct deposit. Use of SILC debit or credit card follows the same authorization procedure as check disbursement. No signing of blank checks allowed.

All checks ordered to oneself require the approval of and an additional signer. For example, Employee 3 cannot order a travel reimbursement payment for themselves without the approval of a designated Council Member and vice versa.

Check signers may include SILC Executive Director and designated Council Member(s) the Chair and/or Treasurer.

No cash can be withdrawn from the SILC bank account by any employee or Council Member at any time for any reason.

The SILC debit/credit card is to be used as little as possible, preferably only for online purchases and reservations, such as hotel rooms and airline flights. A full, itemized receipt must be given to Employee 3 to be filed with the card statement and submitted with grant reimbursements.

Financial Timelines and Procedures

SILC bills are processed twice a month.

SILC invoices are submitted to grantors once a month.

Purchases

General office supplies (copy paper, folders, paper clips, etc.) are purchased on an as needed basis by Employee 3. Staff and Council Members may submit requests for consideration to Employee 3 at any time.

Purchasing of equipment or office supplies exceeding \$500.00 requires a written approval by two designated Executive Council Members) that has been reviewed and approved by Employee 3.

Equipment or services exceeding \$5,000.00 requires the same written approval with two designated Council Members and at least three bids. In addition, if this equipment is purchased with DRS contract monies, it should be registered with the state in accordance with their requirements.

Invoicing Process

The Receivables Account Records and the mailed invoices and their supporting documentation are all gathered by designated Employee 1, reviewed and sent to the SILC or employee 3 by designated employee 2.

Employee 3 takes the information from these documents, compares them to the monthly bank statement and the previous month's invoice, and uses this information to complete the monthly invoice.

Once Completed, the stamped and appropriately approved invoice is sent to the Grantor for reimbursement request and to the Bookkeeper to enter in the General Ledger and to the Grantor for reimbursement.

Allowable expenses

State of Tennessee reimbursement guidelines are drawn from 2 CFR Part 200 (https://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl). These uniform guidelines for allowable expenses should be followed when completing invoicing for funders (ex: Part B) who follow the State of Tennessee guidelines and/or federal spending requirements.

When invoicing to funders who do not follow the State of Tennessee guidelines or the Uniform Guidance for federal grants, those funders' unique reimbursement guidelines must be followed for invoicing.

Supporting documentation (receipts) for expenses incurred is required. In the event a receipt is lost, the Executive Director may approve the expenditure, if in his or her judgment, the said expense is reasonable and legitimate. In addition, Lost Receipt Form must be attached to reimbursement request.

Reimbursement Requests

General Travel

Lodging, meals and incidental expenses incurred as a part of work duties will be reimbursed to each employee on the basis of the State of Tennessee allowance. The maximum per diem rates include a fixed allowance for meals and for incidental expenses (M&I). The M&I rate, or a fraction thereof, is payable to the traveler without itemization of expenses or receipts.

Permission must be received from the Executive Director before any out of state travel.

Air travel, if necessary, must be at the coach rate and hotels must be reserved at the state or conference rate or lower when possible.

If a staff or council member incurs expenses when conducting SILC business, while traveling for the SILC or attending training, etc., the receipts with approval signatures must be submitted to

the accountant. Overnight travel is required to receive meal per diem. Reasonable Accommodations to be made for the traveler are determined for reimbursement approval and at what rate on a case-by-case basis.

Submission of the Request for Expense Reimbursement form should be no more than one week after the expense has been incurred.

Request for Expense Reimbursement forms must be signed and dated before reimbursement can be made. If the form is not signed and dated, no reimbursement will be received. Requests that are submitted without supporting receipts may be delayed in payment or may not be approved for reimbursement.

The Executive Director reviews the request and upon approval processes a check to be cut to the individual requesting reimbursement. When the Executive Director is requesting reimbursement, their Request for Expense Reimbursement is reviewed and approved by the SILC Chair.

Travel Advances

Travel advances are available only under extraordinary circumstances.

Advances are subject to the pre-approval by the SILC Executive Director, the SILC Treasurer and/or SILC Chair, and, when applicable, the grantor (EX: DSE). Travel advances for employees will only be allowed if a) the employee can justify the extraordinary circumstances that warrant an advance, and b) the employee has provided the SILC accountant with a payroll deduction authorization for which will allow the state to recover the advance from the salary owed to the employee in the event of termination of the employment or failure to submit an expense report. Documentation of this approval process must take place in writing. Travel advances for council members will only be allowed

if the council member can justify the extraordinary circumstances that warrant and advance.

If an advance is approved, the amount of the travel advance will be based on eighty percent (80%) of the total estimated cost of travel. Advance will not be issued for less than one hundred dollars (\$100.00). Immediately upon return the employee/council member must submit an expense report regardless of whether they owe advance money back to the SILC or are due reimbursement.

The advance to the employee must be made through a check or direct deposit, NOT through the withdrawal of cash for the employee. Furthermore, any unused advanced travel money must be returned to the bank in a timely manner, ideally within 24 hours.

Travel Cancellation

SILC employees who cancel work related travel must, a) notify their supervisor as soon as they are aware they will not be able to travel, b) confirm that a designated SILC staff member is initiating the cancellation of their travel commitments (examples: conference registrations, hotel rooms, flights etc.) and attempting to reimburse related expenditures, and c) provide explanatory documentation for their travel cancellation (example: a doctor's note or letter of explanation) the week they return from leave.

Any costs associated with canceled travel, both reimbursed or non-reimbursable, will be noted and supported with documentation in the following month's invoice to the appropriate Grantor or paid out of unrestricted funds.

Goods and Services for Personal Use

Costs of goods or services for personal use of the employees are unallowable regardless of whether the cost is reported as taxable

income to the employees. All expenses for reimbursement that might be considered personal (example: a cell phone bill) are subject to the written pre-approval of the SILC Executive Director, the SILC Treasurer and/or SILC Chair, and, when applicable, the grantor (EX: DSE), and will only be allowed if the employee can provide a justification and cost allocation for the portion of the expense that is directly connected to the work of the SILC.

Documentation of this approval process must take place in writing in advance of any reimbursement. If the expense is approved, the justification for reimbursement must be submitted monthly for reimbursement and will only cover the amount of the expense that was directly related to the actual, reasonable, and necessary work of the SILC as required under our applicable grant contracts, during that one month period.

Document Retention

SILC retains records as required by law and destroys them when appropriate. Electronic files shall be saved in appropriate folders on the network storage device. Hard copies should be stored in file cabinets or archived in the storage area. Archived hard copy files shall be stored in water and animal proof containers.

The destruction of records must be approved by the Executive Director and logged into the Organization's Destroyed Records Log. Review and purging of files may take place on an ongoing basis, but must occur at least once per year, and must follow the minimum retention requirements outlined below.

The destruction of any documents containing social security numbers or any other "consumer data" as defined under federal laws and regulations shall be done via shredding using an approved shredding service provider.

The formal records retention policy of SILC is as follows:

Record	Retention
Audit reports	Permanent
Correspondence – Legal and important matters	Permanent
Deeds, mortgages, and bills of sales	Permanent
Financial statements – Year-end	Permanent
General ledgers/year-end trial balance	Permanent
Minute books of directors, bylaws, and charters	Permanent
Retirement and pension records	Permanent
Tax returns and worksheets, examination reports and other documents relating to tax filings	Permanent
Trademark registrations and copyrights	Permanent
Accident reports/claims (settled Cases)	7 Years
Accounts payable ledgers and schedules	7 Years
Accounts receivable ledgers and schedules	7 Years
Contracts, mortgages, notes, and leases – expired	7 Years
Garnishments	7 Years
Insurance claims	7 years
Inventories of products, materials, and supplies	7 Years
Invoices (to customers, from vendors)	7 Years
Notes receivable ledgers and schedules	7 Years
Payroll records and summaries	7 Years
Personnel records (terminated)	7 Years

Property records (incl. depreciation schedules)	7 years
Purchase orders	7 Years
Sales records	7 Years
Subsidiary ledgers	7 Years
Timesheets/cards	7 Years
Withholding tax statements	7 Years
Bank statement & reconciliations	3 Years
Chart of accounts	3 years
Employment applications	3 Years
Insurance policies (expired)	3 Years
Internal audit reports	3 Years
Internal reports	3 Years
Petty cash vouchers	3 Years
Correspondence – General	2 Years

Required Financial Reports

Monthly Reports:

Budget Expenditure Report (state contract requirement) is prepared and submitted by the accountant and copied to Director with copies to the treasurer and chair.

Bank reconciliation – Reviewed by Director

Balance sheet – Copied to Board Treasurer

Income Statements – Copied to Board Treasurer

General Ledger – Copied to Board Treasurer

Quarterly Reports:

Program Report

Contract Report

Tax Returns: When payroll is processed in-house:

State and federal requirements are monthly payroll tax deposited on the 15th of each month. The amount of deposit is prepared and deposited by the accountant. The accountant prepares all quarterly and state required tax returns.

Annual Reports:

Federal tax return: Accountant prepares annual federal and state required tax returns. (990)

Federal Reporting for Part B Funds (704)

Audit

When pre-approved by the Council, SILC will conduct an annual independent financial statement audit.

State Registrations:

TN Charitable Solicitations

TN Annual Report

Establishment and Maintenance of a Fixed Asset Listing

All capitalized property and equipment shall be recorded in a property log. This log shall include the following information with respect to each asset:

Date of acquisition

Tag number

Cost

Description (including color, model, and serial number or other identification number)

Source of the funds used to purchase the equipment, including the federal award number, if applicable

Whether the title vests in the Organization or other entity

Location, use and condition

Depreciation method

Estimated useful life

Ultimate disposition data including the date of disposal and sale price

A physical inventory of all assets capitalized under the preceding policies will be taken on an annual basis.

Approved

Executive Director: _____ Date: _____

SILC Chair: _____ Date: _____

SILC Treasurer: _____ Date: _____