**Unique Life Ministries, Inc. Financial Policies and Procedures**

The Board of Directors of Unique Life Ministries, Inc. will be responsible for financial oversight of all revenue and expenditures. A monthly financial report will be submitted to the Board of Directors during the regular Board meeting. All financial documents will be kept up to date by the designated financial officer.

**Cash Policies and Procedures**

Any cash received will be recorded immediately in the cash receipts journal by whoever receives the cash documenting the date received, the amount, from whom, and the designated purpose, if applicable. A receipt will be given if possible. A maximum of $200 cash will be kept in the office as Petty Cash for small expenditures; however, any use of the cash funds will be recorded on the cash receipts journal with original receipts to track expenditures. All cash above the $200 maximum will be deposited daily with the deposit slip indicating the amount of the cash. A monthly report will be made on the Petty Cash to the Board of Directors. All staff handling cash will be bonded.

**Accounts Receivable**

All accounts received by the organization will be automatically deposited when possible. All paper checks will be mailed to the post office box and will be deposited within 24 hours of receipt.

# Donations

Donations will be accepted at all times and are tax deductible according to the 501©3 letter. A tax-deductible receipt will be given to each donor. All donations will be recorded in the accounting system. If the donation is cash, it will be recorded on petty cash journal and above policies and procedures will apply.

**Purchasing**

All purchased items over $1,000 will be approved by the Board of Directors during the regular meeting or during a specially called meeting. All original receipts will be attached to expense vouchers with copies of original checks in expense voucher file and in various funding source files.

**Credit Card Usage**

The organization credit card (if applicable) will be used only for purchases for or business for the organization. All original receipts will be submitted to the finance team and will be attached to monthly credit card statements. The full balance will be paid each month if possible. The Director is the one authorized to use the credit card. The authorized user’s name will be on the organization’s credit card and will include the Director. The Treasurer/Secretary will reconcile the monthly credit card statement each month.

**Lost Check Policy**

In the event a vendor loses a check provided by this organization, there will be a 30-day waiting period before that check will be voided and rewritten. After the 30-day waiting period expires, the vendor can request in writing that the check be voided and rewritten. Once this written request is received, the bank will be contacted to stop payment on the previously written check and it will be voided. The expense voucher will be noted on the expense voucher for the previous check and on the new expense voucher. A new check will be rewritten if the missing check has not cleared the bank during that time.

# Travel Reimbursement

Travel will be reimbursed to staff and volunteers on organization-approved activities at the current Federal per diem rate. The travel reimbursement will be submitted to the Director on a travel reimbursement form including start and ending odometer readings, start and end location, number of miles, funding source, and rate of reimbursement. The approved travel reimbursement form will be submitted to the secretary once approved by Director for reimbursement.

**Check Writing**

All checks will be written by the designated staff and signed by two different persons who are on the signature card with the bank. In the absence of the Secretary, the Treasurer will assume the check-writing role but will be restricted from signing the checks that are written by the Treasurer.

The Treasurer for the Board of Directors will recheck the monthly reconciliation completed by the Secretary and will sign off on the monthly reconciliation.

# Quarterly Tax-

Unique Life Ministries, Inc. provides 7.65% of each employee’s gross salary for Social Security and Medicare Benefits with the employee providing 7.65% of their gross salary. The secretary submits this at the end of each month. The organization will follow all state and federal regulations in regards to taxation.

### Payroll

This section addresses payroll processing, payroll taxes and other payroll related transactions

(e.g. holiday and leave days). The employment process for hiring, evaluations and other administrative functions are not covered. The ultimate authority to hire and terminate employees, establish compensation levels and determine what benefits will be made available is vested with the Board of Directors. These matters will be covered in the Personnel Policy. Payroll is made monthly.

### Personnel Files

A personnel file is maintained on each employee that includes:

* IRS Form W-4, Employee’s withholding Allowance Certificate
* Payroll rate authorization by the Board of Directors
* Monthly time sheets submitted by employee (if applicable)
* Voluntary deductions (e.g. 403b plans)

Employees are to prepare and submit a time sheet at the end of each pay period.

### Payroll Procedures

Calculation of gross pay:

* Hourly employees: (hourly wage rate) X (compensated hours)
* Salaried employees: ( authorized annual salary/12)

### Payroll Tax Withholdings

State and Federal income tax withholdings and FICA withholdings are determined for the following sources:

* Federal income tax and FICA from IRS Circular “E” Employer’s Tax Guide
* State Income Tax from Mississippi Income Tax Withholding Tables

### Payroll Check Processing

Preparation of payroll checks is in accordance with the same process outlined for paying bills. The amount of the check is the net pay:

Gross Pay

Less Withholdings:

Federal Income Tax

FICA

Medicare

State Income Tax

Tax Deferred Annuity

Other

Net Pay

### Payroll Taxes

The State and Federal withholdings and the employer matching FICA and Medicare must be remitted periodically to the State and the IRS:

* Deposit dates are detailed in the IRS Circular E.
* Each quarter, the IRS Form 941 is to be completed and mailed. This form summarizes the federal withholdings and FICA for the quarter.
* State withholdings are to be deposited quarterly.

### Annual Forms and Transmittals

Forms W-2, “Wage and Tax Statement” for each employee are to be distributed to the employees prior to January 31 of each year. Three copies are given to the employee, one to the SSA, one to the State Dept., and one is retained by the organization.

Form W-3, “Transmittal of Income and Tax Statements” summarizes the information on the W-2s and should be sent along with the W-2s to the SSA by January 31.

Form 1099 should be sent to all consultants who were paid at least $600 for their services in the previous year. This should be sent by January 31.

***Following is a schedule of deadlines for filing state and federal forms:***

**Annual:**

By January 31, file W-2 and 1099 forms.

By January 31, send statements to all donors summarizing previous year contributions.

By January 31, file lobbying expense report with Secretary of State’s Office.

By January 31, file Employers Annual Reconciliation of Income Tax Withheld with State of MS

Before audit begins, be sure all supporting files are ready, previous year transactions entered, and costs are allocated to grant and program areas, based on staff time and grant requirements. Use cost allocation spreadsheets.

By May 15, File Form 990 (By August 15 if extension).

By May 31 (preferably earlier), complete annual audit

By renewal date, register with Secretary of State’s Office, including financial forms.

By December 31 (preferably earlier), adopt budget for next year.

By December 31, set up expense and other financial files for next year.

**Quarterly:**

By 15th of January, April, July, and October, file Form 941 for previous quarter.

By 15th of January, April, July, and October, file state tax withholding form and make payment.

By 15th of January, April, July, and October, file Form UI-3, Employer’s Quarterly Wage Report with the MS Employment Security Commission.

By 15th of January, April, July, and October, file MS Sales Tax Return, if applicable

By Board meeting dates in January, April, July, and October, complete internal financial

statements for previous quarter for Board.

**Monthly:**

By 10th of month (or other regular monthly date), review receivables file and re-invoice

receivables more than 30 days overdue, staple new invoice to old invoice(s) in file.

By 15th of month (or as soon as possible after bank statement arrives), enter interest, service charge, and other transactions on statement not yet entered, and reconcile bank statement.

By 15th of month, make payroll tax deposit.

By 15th of month, pay outstanding bills (make sure cash available first), get checks double-signed, stamp bills paid, file.

On last or next-to-last business day of month, write payroll checks.

By last day of month, pay outstanding bills (make sure cash available first), get checks double-signed, stamp bills paid, file.

After credit card statement(s) received, update and reconcile all credit card charges made.

By end of month, have Board Treasurer review and initial bank reconciliation and credit card statements.

At end of month, review general financial guidelines and take action as needed.

**Weekly:**

Each Friday or last day of week in office, review daily transactions for week and make sure all are up to date.

**Daily:**

Copy checks received and deposit all cash and checks to checking account.

Place our copy of any invoices sent in unpaid invoices file.

Move any invoices for which payment is received to paid invoices file, stamp paid.

Scan, key in or mail transaction information on payments received which are made by credit card.

Enter all financial transactions in computer, including receipts, deposits, payments made, charges (in appropriate credit register), and bulk mailings (in bulk mail register).

Place any bills received in unpaid bills file. Pay earlier only if immediate attention required.

Send receipt and thanks for any contributions received, and enter in Raisers Edge.

Process any memberships, registrations, or purchase payments received.

**Other general guidelines:**

File all transaction documentation, with new files each year.

Keep most financial files for four to five years; keep audit, annual report, and 990 files

indefinitely.

Monitor cash flow and checking account balance.

Use cash flow estimates to make best use of certificates of deposit for greater interest income.

Keep checking, receivable, payable, bulk mail, and credit registers up to date.

File grant reports and other reports to funders.

**1. Check Writing Procedures**

Checks are written monthly for staff and volunteers. Check are written for rent at the beginning of each month; for utilities, telephone, and other bills, as they come in.

a) Before checks are issued, make sure all checks have two signatures. The signatures at the bank will include two board members and the Director. Also, copies of checks, expense vouchers, invoices, etc are made if needed for various fiscal files.

**2. Deposit Making Procedures**

a) Fill out deposit slip for checks to be deposited.

# Equipment Inventory

An equipment log will be kept including model number, date of purchase, and date of disposal with the original invoices for all equipment items. An annual inventory of equipment will be conducted at the end of each fiscal year and will be documented on the Capital Assets Inventory Form.. An equipment log will be kept including model number, date of purchase, and date of disposal with the original invoices for all equipment items. This completed form will be submitted to the Board of Directors at the next regular scheduled meeting after the end of the fiscal year (December) for approval.

# Audit

An independent CPA will conduct a yearly financial compilation or audit with experience with

non-profit organizations based on the annual operating budget of the organization and following

state regulations. An annual 990 will be submitted to the State of Mississippi and IRS by the

May 15th of each year. The Unified State Registration Statement for Charitable Organizations

will also be renewed each year with a $50 filing fee.

## Backup

Unique Life Ministries, Inc. will backup financial records on in a cloud setting and/or jump drive

at the end of each month. The drive will be kept in an off-site location, preferably in a safe

deposit box.

# Record Retention

The records of Unique Life Ministries, Inc. will be retained and destroyed in accordance with the

attached list:

###### Organizational and Legal Records

Articles of Incorporation-----------Permanent

Charter--------------------------------Permanent

By-laws-------------------------------Permanent

Minutes of Director Meetings-----Permanent

Minutes of Director Committee Meetings--------Permanent

Licenses ------------- While active + 2 years

Deeds and Titles--------------------Permanent

Leases -----------While active + 2 years

Policy Statements----------------------10 years

Contracts/Agreements--While active + 6 years

Patent and Trademark Records---------While active + 6 years

##### Federal Tax Records

Form 990 and Support--------------Permanent

Form 990-T and Support-----------Permanent

IRS Exemption Application &

Determination Letter---------------Permanent

##### Revenue Records

Accounts Receivable---------------7 years

Accounts Receivable

Subsidiary Ledgers----------7 years

A/R Fiscal Year-End Report-----7 years

Receipts-----------------------------7 years

Uncollected Accounts-----While Active +

7 years

##### Bank Records

Wire Transfer Records-----------------7 years

Bank Statements-------------------------7 years

Deposit Records-------------------------7 years

Bank Reconciliation’s & support-----7 years

Deposit Records-------------------------7 years

Bank Reconciliation’s & Support-----7 years

Canceled Checks------------------------7 years

##### Capital Property Records

Property Records---While Active + 7 years

Inventory---------------------While Active + 3