Financial Use Policy

1. Purpose:

This “Financial Use Policy” outlines the principles and guidelines governing the management and expenditure of all financial resources of Wild Roots People’s Clinic (“Organization”). This policy aims to ensure transparency, accountability, ethical conduct, and compliance with all applicable laws and regulations, while effectively supporting the Organization's mission and strategic objectives.

2. Guiding Principles:

The Board of Directors is ultimately responsible for the financial oversight of the organization. The Board will delegate specific financial responsibilities to appropriate committees or individuals. All financial decisions and actions of the Organization shall adhere to the following principles:

a) **Mission Alignment**: All expenditures must support the Organization's mission and programs.
b) **Prudent Management**: Financial resources will be managed with care, diligence, and in a fiscally responsible manner.
c) **Transparency and Accountability**: Financial activities will be transparent, and the Organization will be accountable to its stakeholders, including donors and beneficiaries.
d) **Compliance**: All financial activities will comply with applicable federal, state, and local laws, and regulations.
e) **Ethical Conduct**: All individuals involved in financial management will adhere to the highest ethical standards, avoiding conflicts of interest and ensuring integrity in all transactions.
f) **Sustainability**: Financial planning will consider the long-term sustainability of the Organization.

3. Scope:

This Financial Use Policy applies to all financial resources of the Organization, including but not limited to donations (restricted and unrestricted), grants, earned revenue, investments, in-kind contributions (as applicable and appropriately valued).

This Financial Use Policy applies to all individuals involved in the financial management of the Organization, including Board of Directors, Executive Director/CEO, Program Coordinator, staff members with financial responsibilities, volunteers, as well as consultants and contractors involved in financial activities.

4. Budgeting and Planning:

1. An annual budget will be developed and approved by the Board of Directors, outlining anticipated revenues and expenditures aligned with the Organization's strategic plan.

2. Budget variances will be regularly monitored and reported to the Board of Directors.
3. Significant deviations from the approved budget will require prior approval from the Board of Directors.
4. Long-term financial planning will be undertaken to ensure the Organization's future sustainability.

5. Expenditure Guidelines:

1. All expenditures must be necessary, reasonable, and directly related to the Organization's mission.
2. Adequate documentation, such as invoices, receipts, and contracts, must be maintained for all expenditures.
3. The use of Organization funds for personal benefit or gain is strictly prohibited.

6. Revenue Management:

1. All revenue will be accurately recorded and deposited in a timely manner into designated Organization bank accounts.
2. Donations will be acknowledged promptly and in accordance with donor requirements and applicable regulations.
3. Restricted donations will be used solely for the designated purpose outlined by the donor. The Organization will maintain accurate records of restricted funds and their utilization.
4. Grant funds will be managed in accordance with the terms and conditions of the grant agreement.
5. In accordance with investment decisions made by the Board of Directors, the organization will invest funds in accordance with applicable laws and regulations, and in a manner consistent with its mission and risk tolerance.

7. Financial Controls and Accountability:

1. The Organization will maintain appropriate internal controls to safeguard its financial assets and prevent fraud, errors, and mismanagement. These controls may include segregation of duties, authorization limits, and regular reconciliations.
2. Bank accounts will be reconciled monthly by an individual independent of the receipt and disbursement of funds.
3. Financial records will be maintained in accordance with generally accepted accounting principles (GAAP) and relevant legal requirements.
4. The Board of Directors will have oversight responsibility for the Organization's financial health and will receive regular financial reports.
5. An independent audit or review of the Organization's financial statements will be conducted periodically (frequency to be determined by the Board and legal requirements).

8. Conflicts of Interest:

1. All individuals involved in financial management must disclose any potential conflicts of interest, as outlined in the Organization's Conflict of Interest Policy.
2. Individuals with a conflict of interest will recuse themselves from decisions involving the conflicting matter.

9. Accounting, Record Keeping, and Reporting:

1. Accurate and complete financial records will be maintained for a minimum period as required by law and best practices.
2. Regular financial reports, including income statements, balance sheets, and cash flow statements, will be prepared and presented to the Board of Directors.
3. The Organization will comply with all reporting requirements to regulatory agencies and funding sources.
4. Financial information will be made available to stakeholders in a transparent and accessible manner, as appropriate and in accordance with privacy considerations.
5. The Organization will comply with all federal, state, and local tax laws and regulations.
6. The Organization will file all required tax returns and pay all applicable taxes on a timely basis.

10. Policy Review and Updates:

1. This Financial Use Policy will be reviewed periodically by the Board of Directors and updated as necessary to reflect changes in regulations, best practices, and the Organization's needs.
    a. Any significant changes to this Financial Use Policy must be approved by the Board of Directors.

11. Enforcement:

1. All individuals subject to this Financial Use Policy are responsible for understanding and adhering to its provisions.
2. Failure to comply with this Financial Use Policy may result in disciplinary action, up to and including termination of employment or volunteer status, and potential legal consequences.
3. Any suspected violations of this Financial Use Policy should be reported to the Board of Directors.

12. Procedures:

Specific procedures for implementing this Financial Use Policy will be documented in separate operational guidelines in Appendix A attached hereto and incorporated herein by reference.

Approval:

This Financial Use Policy was approved by the Board of Directors of Organization on Date:

____

Board Chair: ____

Appendix A

Operational Guidelines

A. Check signing authority

1. Those individuals authorized to sign checks on behalf of the Organization shall be designated by the Board ("Designated Check Signers"). This designation will be formally documented in the Board meeting minutes.
2. Designated Check Signers are authorized to sign checks in the following amounts or for the following purposes ("Check Signing Limits") without Board of Director authorization:
    a. Costs and expenses up to $500.00 for clinic supplies, meals for volunteer events or other Organization gatherings, herbs, materials related to supporting clinics or Organization training, and other expenditures for the standard conduct of herbal clinics, training, and functions.
3. Designated Check Signers will require Board of Director authorization for the following expenditures:
    a. Any expense exceeding $501.00.
4. Payments for contracts, capital expenditures exceeding $1,000 shall require specific signatory approvals as determined by the Board.
    a. The Board may require the signatures of two (2) Designated Check Signers for expenditures over $1,000.00.
5. All check expenditures must be accompanied by or documented with adequate supporting documentation which may include: a) original invoices, b) receipts, c) purchase orders (if applicable), or d) other relevant documentation that clearly justifies the expenditure.
6. Check Signing Process:
    a. Designated Check Signer(s) are responsible for carefully reviewing the check and the supporting documentation before signing.
    b. By signing a check, the authorized individual(s) certify that the expenditure appears to be:
        i. For a legitimate Organization purpose.
        ii. Properly supported by documentation.
        iii. Within budgetary guidelines (if applicable).
        iv. Checks should be signed using indelible ink.
        v. Blank checks should never be signed.
        vi. Pre-signed checks are generally prohibited unless under exceptional circumstances with specific Board approval and strict controls.
        vii. The check amount must match the amount on the supporting documentation.
        viii. The payee name on the check must match the payee name on the supporting documentation.
        ix. All supporting documentation will be presented to the Designated Check Signer(s) along with the check for review and signature.

B. Electronic Funds Transfers (EFTs) and Online Payments

1. Procedures for initiating and approving EFTs and online payments will be documented separately, but will adhere to similar principles of authorization, documentation, and internal controls as outlined above under check signing authority.
2. Access to online banking platforms and the authority to initiate electronic payments will be strictly controlled and limited to designated individuals at the discretion of the Board or the Executive Director.

C. Record Keeping

1. Expenditures will be documented in Salesforce unless the Board authorizes a different source or mechanism. The documentation shall include a copy of the receipt or invoice for such purchase, service, or expense, etc. Such documentation will describe the item(s) purchased and the cost of the specific item or items.
2. A check register or electronic equivalent will be maintained, recording all check details, including date, payee, amount, and purpose.
3. Voided checks will be clearly marked "VOID" and retained with the corresponding documentation.

D. Credit Card Management and Use

1. The Board shall be advised on each individual who has a credit card. ("Card Holder").
2. Card Holders shall be formally documented in the Board meeting minutes.
3. Authorization for credit card use shall follow the same procedures and requirements as provided above under Check Signing Authority. For the avoidance of doubt, the following are the limits of authority for credit card use:
    a. Costs and expenses up to $500.00 for clinic supplies, meals for volunteer events or other Organization gatherings, herbs, materials related to supporting clinics or Organization training, and other expenditures for the standard conduct of herbal clinics, training, and functions are authorized.
    b. Board of Director authorization is required for:
        i. Any expense exceeding $501.00.
        ii. Payments for contracts, capital expenditures exceeding $1,000 shall require specific signatory approvals as determined by the Board.
        iii. All credit card expenditures must be accompanied by or documented with adequate supporting documentation which may include: a) original invoices, b) receipts, c) purchase orders (if applicable), or d) other relevant documentation that clearly justifies the expenditure.
4. Charging personal expenses, cash advances, personal reimbursement items to Organization credit card is prohibited.

a. Organization credit card shall be treated as property of the Organization. Therefore, the Card Holder shall be responsible for the security of the credit card. Any lost or stolen card(s) shall be reported as lost or stolen to the Board immediately.
    i. Upon leaving the Organization, Card Holder will return the credit card to the Board.

E. Donation Process

1. The Organization will adhere to all applicable federal, state, and local laws regarding charitable contributions necessary to maintain its tax-exempt status by complying with IRS regulations.
    a. Definitions:
        i. Donation shall mean any voluntary transfer of cash, securities, property, goods, or services to the Organization, without expectation of direct return.
        ii. Designated Donation is a Donation restricted by the donor for a specific purpose or program.
        iii. Undesignated Donation is a Donation without donor-imposed restrictions, allowing the Organization to use it for general operating expenses or programs at its discretion.
        iv. In-Kind Donation is a Donation of goods or services, rather than cash.
2. Donation Acceptance and Processing:
    a. All donations shall must be received and processed as quickly as possible and dependent on the source of donation.
    b. Cash and checks shall be immediately secured and deposited into the Organization’s bank account with 15 business days of receipt.
    c. Online Donations must be processed through secure platforms.
    d. Donor information must be protected in accordance with their requests and requirements.
    e. Accurate and complete records of all donations must be maintained by Executive Director/CEO/Program Coordinator (as applicable).
    f. Donor Acknowledgement:
        i. Automatic acknowledgments should be generated.
        ii. All donations must be acknowledged in writing within a month of receipt.
        iii. Donor acknowledgments must be in accordance with maintenance of Organization’s non-profit, tax-exempt status.
    g. Confidentiality:
        i. Donor information must be kept confidential and used only for the Organization's legitimate purposes.
        ii. Donor lists will not be sold or shared with third parties without the donor's explicit consent, unless required by law.
        iii. The Organization will abide by all privacy policies, and any applicable laws regarding data privacy.

h. Quarterly reports will be provided to the Board of Directors regarding donation activity.

F. Grant Management

1. The Program Coordinator, Chief Executive Officer, and/or Executive Director ("Organization Executive") shall ensure compliance with the following:
    a. Management of all grants received by the organization shall be in compliance with all applicable laws, regulations, and grant requirements;
    b. The Organization Executive shall ensure compliance with grant requirements, oversee the development and implementation of grant budgets, authorize expenditures and financial transactions related to grants, oversee maintenance of accurate financial records for grant funds, grant-related payments and reimbursements, financial reports for grantors;
    c. The Organization Executive will coordinate with the Organization budget personnel or other financial experts to:
        i. Reconcile grant expenditures with budget allocations;
        ii. Develop and manage grant budgets;
        iii. Track grant expenditures and ensure compliance with budget limitations;
        iv. Provide financial information for grant reports;
        v. Maintain proper documentation for grant-related activities;
        vi. Require proper documentation for all grant-related expenses (receipts, invoices, timesheets;
        vii. Implement a system for tracking grant expenditures against budget allocations;
        viii. Establish guidelines for purchasing goods and services with grant funds, including competitive bidding and vendor selection;
        ix. Ensure compliance with any specific procurement requirements of the grantor.

G. Account Auditing and Reconciliation

1. Auditing and review of expenditures of Organization will be done monthly by the person responsible for the Organization's accounting, finance, or bookkeeping ("Bookeeper/accountant") **unless** the expense or payment is made to or for the benefit of the Bookkeeper/accountant.
    a. Payments or expenses made to the Bookkeeper/accountant will be reviewed and authorized by the Board Treasurer or Board President.
        i. Unless payments are urgent such review and authorization shall be required prior to payment.
2. When an audit reveals any discrepancies with this Financial Use Policy, the expenditure should be promptly investigated and resolved by the Bookkeeper/accountant with a report to the Organization Executive.

3. The Organization Executive will report any anomalies or noncompliance with this Financial Use Policy at the next Board meeting unless more urgent action is needed to protect the assets of the Organization.