

UNION CENTER FIRE CO., INC.

Financial Practices Policy

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1. Purchase Order Approval

Amended: 11/7/2016

Approved: 7/11/2016

Purchase Orders (PO) shall be approved by the Account Owner as indicated in the UCFC Account Record/Monthly Budget. This approval is necessary to ensure that the Account Owner is cognizant of all expenditures made against their Account.

Account Owner approval is best granted by a signature on the Approval line of the PO form. When necessary, approval may be granted by an email message that can be printed and attached to the PO.

Account Owners will be named by the UCFC Board of Directors when the Budget is completed and may be changed at any time at the discretion of the Board. Account Owners will include those individuals, or groups of individuals most closely associated with the activities of that account. The Account Owners will be indicated by name on the UCFC Account Record/Monthly budget for the benefit of the Bookkeeper and Treasurer who must pay the bill.

2. Check Signing Policy

Amended: 11/7/2016

Approved: October 6, 2014

The President and Treasurer are the only Board Members with check signing privilege.

If a PO is signed by the President, then the Treasurer will sign the check. Likewise, if a PO is signed by the Treasurer, then the President will sign the check.

Exceptions to this policy are:

1. Recurring payments such as Gas, Electric, Phone/Internet Bookkeeper and Cleaning Service, etc.
2. Food bills for planned special events such as the Holiday party, Chicken BBQ, etc.

3. Bank Statement Review

Approved: October 6, 2014

All bank statements mailed to UCFC must be opened and signed (or initialed) and dated by either the Treasurer or President prior to Bookkeeping use for reconciliation of the accounts.

The Treasurer or President must again sign (or initial) and date the statements after review of the Bookkeeping reconciliation report.

This practice documents oversight of the statements and reconciliation reports by Company officials. This was recommended by our CPA following the 2012 Audit (presented to the UCFC Board on Jan 3, 2013) as a best practice to insure the Bookkeeper is not the sole person reviewing bank statements for UCFC funds.

4. Donations Paid by UCFC

Approved: Pending – Draft 9/12/2014

Need Comptrollers judgment for Activity Fund Donations and Member Approval

Intent

This policy documents the rules and judgment considerations used to make donations to 501.3C Not For Profit Organizations using UCFC funds. Two different accounts may be used for donations one is 2% Money, governed by tax laws and guidelines, and the other is the UCFC Activity Fund.

2% Money

The rules for 2% Money are simply written but they are not always specific and provide room for judgment by UCFC Membership in their consideration of donations. The 2% Money rules are listed further below.

Among other things these rules disallow funds to be used for donation to benevolent associations, but it does allow funds to go to The Fireman's Home Endowment Fund. All members have the ability to partake of the benefits of the Fireman's Home, but not all Members have the ability to benefit from some potential donations. For example all can benefit from the work of the Red Cross since they collect blood that is available for all when necessary, but only some will ever benefit from donations to The Kidney Foundation.

The key point to consider for 2% Money donation is within the statement: "Make use of funds where all members have the opportunity to share alike in their distribution."

Activity Fund

Donations can be made to individuals and organizations on a one time basis but the funds cannot come from 2% Money they must come from the UCFC Activity Fund and only when approved by the Membership.

Reference

From the "Handbook of Two Percent Tax Laws and Guidelines for Fire Departments" by FASNY:

SECTION III

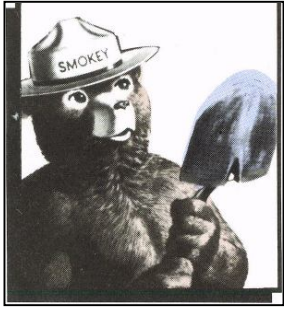
Suggested Guidelines for Management of 2% Funds by Fire Departments

Fire Departments Do:

- Make use of funds where all members have the opportunity to share alike in their distribution.
- Have the option to invest these funds.
- Purchase group life insurance for the entire membership.
- Have the option of purchase of personal equipment. Building and Capital expenditures should be the responsibility of the municipal charges.
- Have the option to purchase personal equipment and pay for part of it and have the individual pay part, whether it is a token payment on the individual's behalf or 50-50 or whatever.
- Use for food and refreshments for monthly meetings.
- Use for food and refreshments at fires or drills.
- Use the monies for parade expenses.
- Use for fees to lawyers, auditors, administrative services and bonafide delegates.
- Use your 2% money for gifts to the Firemen's Home Endowment Fund.

Fire Departments Do Not:

- Make donations to other benevolent associations.
- Make donations to outside fire departments for the benefit of members injured or killed in the line of duty.
- Pay fees and expenses for members attending schools or classes.
- Aid disaster victims.
- Use for prizes and expenses for Fire Prevention Poster and Essay Contests.
- Use for expenses of children's Christmas or Halloween parties.
- Make loans for repayment.



Union Center Fire Company, Inc.

5. AGREEMENT FOR COMPANY CHARGE CARD USAGE

Approved: 3/20/2016

I agree that the card being issued to me, or loaned to me, will be used for company business and operational use, and it will not be used for any alcohol purchases or other questionable uses that are not associated with the business of the company.

A. Charge Card

The charge card will be used only as follows:

- Emergency situations
- Purchasing - The card will only be used at companies where we do not already have an open account. (An attempt will first be made to set up an account with the company.) In particular, I understand that one of the main purposes of the charge card is to enable the purchase of items on the Internet at prices lower than those of companies where we already have an open account.
- Travel to out-of-town conferences or classes.

The charge card provides a means for the transaction to be paid directly from company funds, so I will use a tax-exempt form to avoid sales tax on the purchase, if accepted by the supplier.

If the charge card is used for purchases, all receipts -- including purchase order and a copy of the on-line order or invoice -- will be submitted to the Treasurer within seven days after receipt of the item.

If the charge card is used for travel, all receipts and a purchase order will be submitted to the Treasurer within seven days after return from the trip.

B. Weis Card

The Weis Card will be used only for company purchases.

The Weis card is available for use by Members when necessary. The card will be signed out when taken and signed back in when returned.

All receipts and a purchase order will be submitted to the Treasurer within seven days after a purchase.

The card will have the company name on it, and it is my responsibility to safeguard it and be accountable for all purchases when in my possession. If no receipt or Purchase Order is submitted, as outlined above, I understand that I will be billed for the amounts of those purchases. When purchases are complete the card will be promptly returned to the station.

I understand that use of the charge card is a privilege, and that failure to comply with the terms of this agreement will result in loss of this privilege.

I have read and understand the rules and regulations for this privilege:

Signed by: _____

Print Name: _____

Date: _____

6. PERSONAL MILEAGE POLICY

Approved: 3/20/2016

It is the policy of the Fire Company to establish travel expense limitations and guidelines as follows for personal mileage:

Authorizations – Approved individuals will be reimbursed for personal mileage within the limits approved in the annual budget.

Personal Mileage – Approved individuals will be reimbursed for use of their personal cars for Fire Company business at the prevailing government rate per mile as defined in <http://www.gsa.gov/portal/content/100715>. Commuting mileage are those miles driven to attend regularly scheduled meetings, trainings or other scheduled activities. Non commuting miles are those necessary to attend any emergency calls or unscheduled activities. Commuting miles will not be reimbursed while non-commuting miles will be reimbursed, with the following exceptions which can also be reimbursed miles:

- a. Attending Scheduled Regional Fire Service meetings or training.
- b. Maintaining field service capability while performing other Company service.

Incidental Expenses – This type of expense is for the reimbursement of gasoline while a personal vehicle is kept running at the site of the emergency call. The hourly rate will be 8x the personal mileage rate/hour.

Reimbursement – Individuals should submit the Monthly Expense Reimbursement Request each month until the annual budgeted personal mileage allowance is exhausted. Appropriate detail information needs to be listed as this program is administered on an accountable basis whereby eliminating the need for tax reporting for these disbursements.

Approval – Prior to payment each Monthly Expense Reimbursement Request must be approved by the President or Treasurer.

Payment – Travel expense reimbursements will be distributed or mailed within 30 days of receiving the properly approved request.