

PRISONER VISITATION AND SUPPORT

Fiscal Policy

Draft for Finance Committee Review — April 2026

I. Purpose

This policy establishes fiscal and accounting governance for Prisoner Visitation and Support (PVS). It defines roles, approval authorities, and controls to ensure that financial statements conform to generally accepted accounting principles, that assets are safeguarded, that grantor and donor guidelines are followed, and that finances are managed accurately, efficiently, and transparently.

Day-to-day procedures (mail handling, deposit preparation, journal entry workflows, software steps, and similar staff-level tasks) are maintained separately by the Executive Director in an internal Accounting Procedures document. The Finance Committee may request to review the procedures at any time.

II. Roles and Responsibilities

Board of Directors

1. Approves the annual budget.
2. Sets fiscal policy and internal controls.
3. Reviews periodic and annual financial statements.
4. Reviews the Executive Director's performance annually and sets the salary.
5. Appoints two Board members as authorized signers with online access.
6. Approves all contracts and non-budgeted expenditures over \$10,000.
7. Approves the annual independent accountant's report and IRS Form 990.
8. Approves annual employee retirement contributions.
9. Approves transfers from the Reserve Fund to the Endowment Fund.

Finance Committee

1. Reviews and recommends fiscal policy and internal controls to the Board.
2. Selects the independent accountant, determines the report type (audit or review), and recommends to the Board for approval.
3. Reviews and recommends the annual operating and conference budgets to the Board.
4. Reviews periodic financial statements and expense allocations.
5. Approves all reimbursements and fund requests over \$2,500.
6. Recommends transfers from the Reserve Fund to the Endowment Fund to the Board.
7. Carries out responsibilities outlined in the Endowment and Investment Policies.

Executive Director

1. Oversees preparation of the annual operating and conference budgets for Finance Committee and Board approval.

2. Reviews and approves all financial reports submitted to the Finance Committee and Board, including the Statement of Financial Position, Statement of Activities (with budget-to-actual comparisons), and Statement of Cash Flows.
3. Reviews and approves all incoming invoices, reimbursements, and fund requests.
4. Reviews and approves all contracts and bank transfers under \$10,000, with notification to the Finance Committee.
5. Reviews and signs all issued checks and serves as on-site signatory for all bank accounts.
6. Reviews bi-weekly payroll.
7. Reviews, approves, and initials monthly bank and investment account reconciliations, as well as quarterly reconciliations between DonorPerfect and QuickBooks.
8. Reviews and approves all grant submissions and ensures compliance with grant and donor restrictions.
9. Oversees adherence to internal controls and ensures expenses are ordinary and necessary.

Accountant (Contracted)

1. Maintains the general ledger in coordination with the Program Manager.
2. Performs monthly bank reconciliations and quarterly investment account reconciliations.
3. Prepares all monthly and year-end financial reports.
4. Prepares quarterly reconciliations between DonorPerfect and QuickBooks.
5. Processes payroll and reviews monthly credit card activity.
6. Assists the Executive Director and Treasurer with budget development.
7. Coordinates with the independent accountants on the annual audit, review, or compilation engagement.

Program Manager

1. Maintains accounts payable and processes invoices, reimbursements, and fund requests.
2. Prepares deposits and processes inter-account transfers as directed.
3. Maintains the Chart of Accounts and Fixed Asset Log.
4. Initiates donor acknowledgement letters not handled through DonorPerfect.
5. Assists the Executive Director and Accountant with budget development.

Administrative Assistant

1. Inputs financial transactions into QuickBooks and donations into DonorPerfect.
2. Generates donor acknowledgement letters through DonorPerfect.

III. Accounts and Signatory Authority

The checkbook and credit card are stored in a locked safe in the PVS office.

| Account | Institution | Signatory Authority | Online Access |
|--------------------------|--|-------------------------------------|--|
| Operating Checking | PNC Business | Executive Director, 2 Board Members | Executive Director, Program Manager, Accountant |
| Savings | BlueVine | Executive Director, Treasurer | Executive Director, Treasurer, Program Manager (transfer only), Accountant |
| Credit Card | PNC Business | Executive Director | Executive Director, Accountant |
| Brokerage | PNC Business | Executive Director, Treasurer | Executive Director, Program Manager |
| Board-Designated Reserve | Friends Fiduciary | Executive Director, Treasurer | Executive Director, Treasurer |
| Endowment | Stillwater Capital (custodied by Fidelity) | Executive Director, Treasurer | Executive Director, Treasurer |

IV. Approval Thresholds

| Action | Approval Required |
|--|---|
| Disbursements over \$2,500 | Second signature from authorized signatory |
| Non-budgeted expenditures or contracts over \$10,000 | Board of Directors |
| Transfers from Reserve Fund to Endowment Fund | Board of Directors |
| Reimbursements to the Executive Director | Treasurer |
| Capitalization of assets | Items with unit cost over \$5,000 are capitalized |

V. Fiscal Policy Statements

1. All cash accounts, except the brokerage account, will be held in FDIC-insured institutions. No bank account will carry a balance above the FDIC-insured amount. Brokerage accounts are insured by SIPC.

2. All capital expenditures exceeding \$5,000 will be capitalized. Items below \$5,000 will be expensed in the period purchased. Donated capital items will be capitalized at fair market value at the time of donation.
3. Bank statements will be reconciled monthly. Investment accounts will be reconciled quarterly. The Executive Director reviews and initials all reconciliations.
4. The credit card balance will be paid in full each month. The Executive Director's credit card usage will be reported to the Board Chair and Finance Committee Chair quarterly.
5. Salary advances are allowed only in rare circumstances. No travel cash advances will be made except under special conditions pre-approved by the Executive Director or Treasurer.
6. Reimbursements are paid only upon complete expense reporting and approval using the official PVS form. Reimbursements to the Executive Director are authorized by the Treasurer.
7. Any donated item with a value exceeding \$50 will be recorded and acknowledged by letter within two weeks. See the Gift Acceptance Policy for detail.
8. Marketable securities donated to PVS will be sold promptly upon receipt unless otherwise directed by the Finance Committee.
9. All donations are tracked in DonorPerfect; all cash receipts are recorded in QuickBooks. The Accountant prepares quarterly reconciliations between the two systems.
10. Accounting and personnel records are kept in locked file cabinets in the PVS office, accessible only to staff with financial or HR responsibility.

VI. Audit, IRS Form 990, and Government Filings

PVS engages an outside accounting firm annually to prepare and submit the IRS Form 990 and to provide an audit, review, or compilation as determined by the Board. The accounting firm will review its report and the Form 990 with the Finance Committee on request. Both the independent accountant's report and the Form 990 are reviewed and approved by the Board of Directors.

The Finance Committee selects the independent accountant and form of report and recommends the engagement to the Board for approval.

All other required government filings, including state charitable registrations and employment-related filings, will be completed and filed with the appropriate agency.

VII. Budget and Financial Reporting

The Board of Directors, Finance Committee, and Executive Director collaboratively develop the annual operating budget. Budget development typically begins in mid-fall and is finalized for review at the November Board meeting. The fiscal year runs from January 1 through December 31.

The Accountant prepares the following standard reports for each Board meeting, posted to the portal in advance:

- Statement of Activities, current period vs. prior year, with variances
- Statement of Activities, actual vs. budget, with variances
- Statement of Financial Position

- Statement of Cash Flows

Other reports may be requested by the Board Chair, Treasurer, Finance Committee, or Executive Director.

VIII. Property and Equipment

Items with a unit cost greater than \$5,000 are capitalized and depreciated using the straight-line method over the following useful lives: computer hardware and software, 36 months; office equipment and furniture, 60 months; leasehold improvements, the lesser of useful life or remaining lease term including renewals reasonably certain to be exercised.

The Program Manager maintains the Fixed Asset Log in QuickBooks where possible. An annual physical inventory is taken and reconciled to the general ledger. The Executive Director must be informed in writing of any change in status of property or equipment.

IX. Review and Approval

The Finance Committee reviews this policy annually. Material changes are submitted to the Board for approval. Review and approval dates are recorded in Finance Committee or Board minutes and noted below.

| Approval Date | Approval Authority | Notes |
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