

# **Union Vale Fire Department**

## **Financial Reorganization Policy**

**Purpose:** To ensure the ease of bookkeeping and to make bill paying easier for our Treasurer. It is imperative that our record keeping and bill payments be kept in accordance with the IRS, as well as maintaining fiscal responsibility to our Community. This policy will ensure that we, as an organization, are keeping accurate and appropriate records, as well as ensuring timely payment of our bills.

**Independent Audit of our books:** The Union Vale Fire Company will be celebrating its 60<sup>th</sup> anniversary in 2012. It is appropriate and the responsible thing to do to ensure that our record keeping is being done according the IRS guidelines. An initial independent audit of our books will be done at the approval of this policy. It will then be the policy of this Company to have an independent audit done when a Treasurer will be leaving the position and new Treasurer taking over. This will protect both the outgoing and incoming Treasurer in ensuring that the books are true and accurate. The independent auditor will also make suggestions and recommendations to conduct business better and more efficiently.

### **Approval and Payment of Bills:**

1 - In order to keep our bills paid in a timely manner, reoccurring bills will be paid upon receipt. Annually, creditors will be approved at the

January meeting for bills to be paid upon receipt. An example of this type of creditor would be Pepsi Cola. A creditor can be added to this list at any monthly meeting with two-thirds approval of the attending membership.

2 – Bills for items approved for purchase at a previous meeting will be paid upon receipt. If the Membership approves to purchase the item(s), it becomes redundant and timely to delay payment of the bill that was already approved for payment. If there is a discrepancy of more than 5% of the approved amount, the bill will go before the Company for approval to be paid.

3 – All other bills will be paid within 7 days from Company approval.

4 - All bills that have been paid or are approved for payment will be initialed and dated by a member of the Board of Directors. In the event that a member of the Board of Directors is not present at a meeting, the Vice President will initial and date. If that member is also absent, the secretary will initial and date the bills.

**Debit Card:** In order to alleviate the use of personal credit cards or debit cards, the Company will obtain a debit card for use. The debit card will only be used for purchases that were previously approved by the Membership. The President and Treasurer will be the only 2 Members to have access to the debit card. The debit card will remain in the possession of the Treasurer when not being used.

**Recordkeeping:** Starting January 1, 2012, all financial records will be kept electronically on a Company owned computer. The Treasurer will be given access to the computer for the purpose of maintaining the

financial records and reports of the Union Vale Fire Company. The computer is not to be used for personal use.

This policy was approved August 24, 2011.