

## Hereford Zone Recreation & Parks Council Financial Procedures

**General:** Invoices shall be paid and checks signed by at least two of the following three officers, who shall be bonded in an amount as set by the Executive Committee: President, the Vice-President serving as Chair of the Finance Committee or Treasurer. If the Hereford Zone Recreation and Parks Council hires a bookkeeper checks may be signed by such bookkeeper as well as one of the following three officers: President, the Vice-President serving as Chair of the Finance Committee or Treasurer.

All activities should get a copy of this and other relevant documents from the herefordrec.org website. Proposed budgets must be submitted to the Executive Board before the start of the program. Additional check request vouchers & deposit slips can be obtained from the Treasurer or the Hereford Rec. Office.

### I. Deposits

1. Endorse all checks with the ink stamp provided to you marked "Hereford Zone Recreation & Parks Council, For Deposit Only, Acct#55-0143-5021, XXXX" (where XXXX is activity name). Note that if no stamp is available for the activity, print the endorsement as above. (*Extra stamps are kept in the Hereford Rec. Office*)
2. **Print activity name on the three part pre-printed deposit slip** and include a breakdown of monies and sources of monies: registration, sponsors including name, donations including name, sale of uniforms/equip/etc., fund raising monies including the event/source (i.e. bull roast, etc.), concessions, return of unused umpire/referee fees, etc. By having the activity name on the deposit slip, credit to your activity is assured and identification of bounced checks is easier.
3. Deposits must be made at a PNC Bank. One branch is located at 14804 York Road, Sparks, another is on Mt. Carmel Road in Hereford.
4. Two parts of the deposit (deposit slip is three parts) should be returned to you. **Send one copy to the bookkeeper immediately** (address in Section II -3). *If possible, send an email notification of the deposit, including a scan copy of the deposit slip.* Keep the yellow copy for your records. If the bookkeeper does not receive a copy of the deposit slip, it will be listed as an unknown deposit on the Monthly Financial Statement. Unknown deposits will be transferred to the General Fund after remaining unidentified for three months. If the unknown deposit is identified after being transferred to the General Fund, the Executive Board may vote to credit the deposit to your activity.
5. Deposits are credited to your activity in the month deposited. If there is an error in your deposit, the accountant will receive a Deposit Correction Notice (DCN) from the bank and will notify the chairperson.
6. If a check in your deposit bounces, the face amount of the check, plus the bank fee, will be debited to your registration income unless otherwise noted. The bounced check will be returned to the chairperson.

### II. Purchases/Payments

1. All purchases must be in the name of Hereford Zone Recreation & Parks Council with your activity name added. Do not pay sales tax. The HZRPC sales tax exemption certificate has been provided to the chairperson. You will not be reimbursed for sales tax paid. Only the chairperson can authorize volunteers to purchase items on behalf of the activity.

2. Check Request Vouchers must be signed by the chairperson. Attach the original (no photocopies) invoice/order form (no statements) to the voucher. If the check is for a reimbursement of an expense and the invoice/receipt does not indicate it had been paid, then proof that expense had been paid is needed (i.e.: original cancelled check, original credit card receipt, or photocopy of credit card statement if purchased by telephone or internet), as well as the invoice/receipt. If the voucher is for pre-payment of an expense, write the words "Receipt to Follow" on the voucher and remember to send the receipt to the accountant when it is received with a notation of your activity name. If the voucher is for umpire/referee fees, the chairperson is responsible to ensure that all the monies issued have been spent. See the "HZRPC Umpire/Referee Expenditures" form and the following procedures apply:
  - a. List the name of the individual receiving the fee, the amount and date received.
  - b. Reconcile the check total with total fees paid.
  - c. If the total amount is not used, the excess must be re-deposited and categorized as unused umpire/referee fees on the deposit slip.
3. Retain the pink copy of the check request voucher and mail the voucher and supporting documentation, if applicable, to the bookkeeper.

**Diana Wilson**  
**P. O. Box 512**  
**Parkton, MD 21120 phone: 443-854-5706**  
Email: **DLW@MDWaccounting.com**

In the event there is an immediate need for a check and you cannot contact the Bookkeeper, you may contact the Treasurer.

4. Check request vouchers will be processed weekly, depending on volume.

**\*\*Note:** All persons who are paid \$600 or more in the calendar year by HZRPC for services rendered (instructors, data entry, field maintenance, etc.) will be issued IRS form 1099. *Social Security Number and mailing address will be required prior to any checks being disbursed.* This form notifies the IRS of the individual's income from HZRPC. HZRPC does not withhold any income taxes. Independent contractors must follow the Department of Recreation & Parks procedures, including a contract and in some cases a background check. Chairpersons need to retain a copy of the independent contractor's contract in their files.

### **III. Petty Cash Fund**

If such a fund is necessary, contact the treasurer or bookkeeper for proper procedure.

### **IV. Lost/Stale/Void/Outstanding Checks That HZRPC Issued**

1. Lost – If you want a stop payment issued on a check, contact the bookkeeper. The stop payment fee will be charged to your activity.
2. Stale – Checks that are over six months old and have not been cashed are considered "stale" checks. A bank may not allow the check to be deposited. Contact the bookkeeper.
3. Void – Mark the word "Void" across the face of the check and send the check to the bookkeeper. The voided check will be credited to the activity.
4. Outstanding – The bookkeeper will notify the chairperson if a check issued has not been cashed by the payee within six months.

### **V. Chairman's Records and the Monthly Financial Statement**

1. HZRPC prepares a monthly financial statement. The first part of the statement contains a summary of each activity. If an activity had transactions during the month, then a transaction report will be included. If the Chairperson attends the council meeting, the chairperson will receive their copy at the meeting; the bookkeeper may also email it.
2. The chairperson is responsible for reconciling their books to the council books each month. Any differences should be reconciled with the bookkeeper.
3. Each activity must keep a ledger detailing all income and expense as well as a running balance. The activity should maintain all back up paper work to support the ledger figures. These materials are to be provided to the Treasurer and/or Executive Committee if requested.
4. Records should be kept for the current and prior fiscal year.

**VI. Council Assessment**

1. Each activity will be assessed \$5.00 per registrant. The Executive Committee will periodically review this amount and may change it.
2. As soon as registration is complete the chairperson should contact the Treasurer (email preferred) with the total number of registrants. Chairperson then completes a check request voucher (to transfer funds) payable to General Fund. If the transfer has not been completed within 30 (thirty) days, no monies will be paid out for that program.

**VII. Final Activity Report**

Some time in September/October each activity chairperson will receive a Final Activity Report which contains a cover letter, Activity Budget Reconciliation Form, and a twelve month transaction report. The activity chairperson must review the twelve month transaction report; complete the cover letter & the Activity Budget Reconciliation Form. Completing the cover form will facilitate the completion of HZRPC's federal income tax return. Completing the Activity Budget Reconciliation Form is required by HZRPC's Constitution. Failure to complete these forms may result in the suspension of check request vouchers to be processed, at the discretion of the Treasurer.

**VIII. FYI**

Baltimore County's Department of Recreation and Parks – Hereford Office does not handle any monies pertaining to any of HZRPC's activities. Do not send any monies, checks, check request vouchers or budget information to the office.

W M Tarlton, Treasurer