



SHINGLE SPRINGS BAND OF MIWOK INDIANS

Shingle Springs Rancheria, (Verona) Tract, California
5281 Honpie Road, Placerville CA 95667
P.O. Box 1340, Shingle Springs CA 95682
(530) 676-8010 Office; (530) 676-8033 Fax

RESOLUTION 2016-17

SUBJECT: APPROVAL OF THE FINANCE DEPARTMENT POLICIES AND PROCEDURES MANUAL

WHEREAS, the Shingle Springs Band of Miwok Indians (the "Tribe") is a federally recognized Indian tribe eligible for the special programs and services provided by the United States to Indians because of their status as Indians and is recognized as possessing powers of self-government; and

WHEREAS, the Shingle Springs Tribal Council is the duly-elected governing body of the Tribe and is authorized to act on behalf of the Tribe; and

WHEREAS, the Tribal Council operates a Finance Department for the purpose of managing the general accounting functions of the Tribe; and

WHEREAS, the Tribal Council deemed it necessary to replace the former "Fiscal Department Internal Control Standards," with a new procedure manual which reflects current practices of the Tribe including increases in work load, electronic records and update accounting practices; and

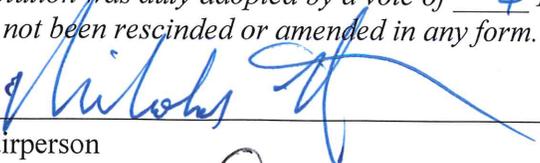
WHEREAS, the Tribal Council has reviewed the "Finance Department Policies and Procedures Manual," a copy of which is attached, and has found it to be consistent with the goals of the Tribe.

NOW THEREFORE, BE IT RESOLVED that the Tribal Council hereby approves the attached "Finance Department Policies and Procedures Manual," and authorizes the Chairman or his designee to execute any and all documents and agreements necessary as may be required to give effect to the transactions, herein contemplated, and to take such other actions as may hereby be necessary and appropriate to carry out the obligations there under; and

BE IT FURTHER RESOLVED, that this resolution shall take effect immediately.

CERTIFICATION

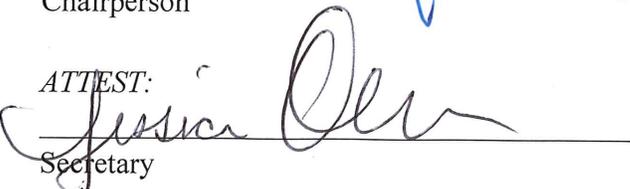
As a duly-elected official of the Shingle Springs Band of Miwok Indians, I do hereby certify that, at a meeting duly called, noticed, and convened on the 11th day of February, 2016 at which time a quorum of 7 was present, this resolution was duly adopted by a vote of 7 FOR, 0 AGAINST, 0 ABSTAINED, and said resolution has not been rescinded or amended in any form.



Chairperson

2-11-2016

Date

ATTEST:


Secretary

2-11-2016

Date



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FINANCE DEPARTMENT POLICIES AND PROCEDURES MANUAL

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SECTION I
DEFINITIONS

“**Adult**” shall mean person who is 18 years of age or older.

“**Child**” or “**Children**” shall mean person who is 17 years of age or younger.

“**Elder**” shall mean a Tribal Member who is fifty-five (55) years of age or older.

“**Fee Land**” shall mean all property owned by the Shingle Springs Band of Miwok Indians that is not in trust.

“**Manual**” shall mean this Finance Department Policy and Procedure Manual.

“**Per Capita**” shall mean those monthly distributions to members of the Tribe derived from gaming revenue.

“**Tribal Court**” shall mean the Shingle Springs Band of Miwok Indians Tribal Court.

“**Tribal Land**” is all land owned by the Tribe whether in Fee or trust.

“**Tribal Member**” shall mean a single individual who is an enrolled member of the Shingle Springs Band of Miwok Indians.

“**Tribal Membership**” shall mean all of the individuals collectively who are enrolled members of the Shingle Springs Band of Miwok Indians.

“**Tribe**” shall mean the Shingle Springs Band of Miwok Indians.

SECTION II DEPARTMENT OVERVIEW

(A) PURPOSE.

The Shingle Springs Band of Miwok Indians created the Finance Department for the purpose of managing the general accounting functions of the Tribe. The Finance Department accomplishes this goal by creating standards for financial management which all other departments adhere to. This Finance Department Policies and Procedures Manual describes the functions of the Finance Department.

(B) DEPARTMENT STAFF.

The Finance Department staff includes the Finance Director, the Payroll Administrator, Bookkeepers and Accounts Receivable Clerks. The Finance Department may at times utilize interns or contractors and will also coordinate with many other staff in the course of providing high quality accounting services to the Tribe.

(C) BUDGET.

The Finance Department budget is approved annually by the Tribal Council. Modifications to the approved budget may only be approved by the Tribal Council.

(D) FORMS.

Forms or other documents needed to fully process transactions may be created and revised at the direction of the Tribal Administrator, or his or her designee, as necessary to fully implement processes without need for amendment to this Manual.

(E) FRAUD.

Any individual found to be using false or misleading statements, omitting or misrepresenting facts or altering or forging will be immediately reported by the Finance Department to the Tribal Administrator.

(F) CONFIDENTIALITY.

Maintaining confidentiality is a requirement of being a Finance Department staff member, contractor or intern. All staff receives confidentiality training and signs a confidentiality statement upon hire.

(G) APPROPRIATE BOUNDARIES.

In the course of work, Finance Department staff, interns and contractors at all times must maintain appropriate boundaries and abide by certain ethics. These include, but are not limited to, following all applicable law, obeying all direct orders of the Tribal Council and maintaining a strictly professional relationship with Tribal Members and co-workers.

(H) SUSPECTED ABUSE.

Finance Department staff members and contractors are required to report actual or suspected Child abuse, abuse of persons with special needs, Elder abuse, animal abuse, financial abuse, domestic violence, threats of self-harm and threats to harm others to the proper authorities.

(I) SOVEREIGN IMMUNITY.

Nothing contained within this Manual shall be construed as a waiver of the sovereign immunity of the Tribe.

(J) AMENDMENTS.

This Manual, or any section herein, may be amended by a majority vote of the Tribal Council.

(K) SEVERABILITY.

If any provision, clause, sentence or paragraph of this Manual is held to be invalid, the invalid portions shall not affect the remaining portions which shall remain in full force and effect.

SECTION III
GENERAL ACCOUNTING SYSTEM

(A) GENERAL.

This section describes the control objectives and activities for the overall chart of accounts, general ledger activity, general ledger closeout, and system security.

(B) CHART OF ACCOUNTS.

1. Control Objective.

To establish a coding structure that supports accurate financial reporting in accordance with generally accepted accounting principles applied to governmental entities.

2. Reason for Controls.

Accurate financial reporting is essential to assist management in making financial decisions and is necessary to ensure compliance with Tribal, federal and state regulations, laws and contracts.

3. Control Activities.

- (i)** To ensure proper allocation of resources and comply with reporting requirements that may exist, the chart of accounts will be comprised of separate funds, which are self-balancing sets of accounts that represent activities for individual programs. Accordingly, each account number must include a three-digit code that represents the program, a four-digit code that represents the account, a two-digit code that represents the department, a two-digit code that represents the site location and a two-digit code that represents the program's fiscal year.
- (ii)** Governmental program funds will only include accounts that represent allowable direct and indirect costs for the applicable program. All other unallowable costs and activities will be segregated in an unrestricted fund.
- (iii)** Any requests for additions or modifications to the chart of accounts must be in writing and initialed by the Finance Director and applicable Program Director to document their approval of the changes. Authority to enter such changes into the accounting system is restricted to Finance Director or their designee.
- (iv)** General ledger control accounts will be established to aggregate subsidiary account detail in order to facilitate account reconciliations.

(C) GENERAL LEDGER ACTIVITY.

1. Control Objective.

To ensure that all general ledger entries are current, accurate and supported by an audit trail.

2. Reason for Controls.

Timely and accurate financial information is essential to assist management in making financial decisions and an audit trail is necessary to ensure that transactions are properly authorized and documented.

3. Control Activities.

- (i) All entries and transactions are to be posted to the general ledger by the end of the next business day after the underlying accounting event has occurred.
- (ii) All journal entries will be authorized in writing by the Finance Director or their designee prior to being posted to the general ledger.
- (iii) All transactions will be authorized as set forth in the specific instructions for the applicable transaction type (i.e. cash disbursements, accounts receivable, etc.)
- (iv) All journal entries and posted transactions will be supported by adequate documentation that clearly shows the justification and authorization for the transaction.
- (v) Adequate supporting documentation for journal entries includes copies of bank statements, schedules, or other documents that tie to the journal entry amount.
- (vi) Adequate supporting documentation for posted transactions includes the following:
 - a. For revenue transactions – receipts, deposit summaries, rental agreements, contracts, and grant reimbursement requests.
 - b. For expense transactions - original documents such as invoices, receipts, purchase requisitions, check requests, contracts, travel expense forms, etc. Photocopies or facsimile copies of documentation are restricted to emergency situations that are specifically approved by an authorized person.
- (vii) Applicable supporting documentation will be attached to copies of the journal entries or posting report and maintained in the Finance Department.
- (viii) When accessing the accounting system, all employees will utilize their assigned usernames and passwords. Furthermore, the person who posts an entry or transaction will initial the printed copy in order to maintain a proper audit trail.
- (ix) Recurring general journal entries will be set up whenever possible to record monthly transactions or transfers. The initial posting of any recurring general journal entry must be approved in writing by the Fiscal Finance Director.

- (x) Transactions will be entered on the modified accrual basis of accounting. Accordingly, revenue will be recorded as of the date earned, if such revenue is available. Revenue is available if it is collectible within the current period or soon enough thereafter to be used to pay current liabilities. Expenses will be recorded as of the date incurred (i.e. the invoice date.)
- (xi) Each program and department will prepare an annual budget of revenue, expenses, and capital outlay to be approved by the Tribal Council by December 20th of each year.

(D) GENERAL LEDGER CLOSE-OUT.

1. Control Objective.

To ensure that timely and relevant financial information is available to management and the Tribal Council.

2. Reason for Controls.

Financial information must be periodically reviewed and reconciled to prevent or detect material misstatements due to fraud or errors in a timely manner.

3. Control Activities.

- (i) Each month's general ledger will be closed-out, as detailed below, by the 15th day of the following month.
- (ii) All bank accounts will be reconciled to the general ledger on a monthly basis. The controls relative to the bank statements and the procedures for reconciling the accounts are as follows:
 - a. All bank statements are to be mailed to the Tribe's post office box and are to be delivered unopened to the person who will perform the reconciliations.
 - b. The monthly bank account reconciliations will be completed through the reconciliation module of the accounting system software. Such reconciliations are to be completed by someone who is independent of any cash handling responsibilities relative to the specific account.
 - c. Any outstanding checks that are more than six months old will be reviewed and voided. The Finance Director will be notified of any deposits in transit that have not cleared the bank in a timely manner.
 - d. The person performing the bank account reconciliations will prepare journal entries for interest, bank charges, etc. and provide the supporting documentation to the Finance Director or their designee for approval.

- e. All bank account reconciliations will be reviewed and initialed by the Finance Director or their designee. Such review will include the following:
 - (1) An examination of the original bank statement for unusual transactions or alterations.
 - (2) Scanning of the cancelled checks (or images of cancelled checks provided by the bank) for alterations, authorized signatures, and/or unusual endorsements.
 - (3) Review for any adjusting journal entries.
 - (4) Review for unusual or old reconciling items.
 - (5) Comparison of bank deposits with list of cash and checks received prepared by the Accounts Receivable Clerk.
 - (6) All bank statements and corresponding bank reconciliations will be maintained in accordance with the section regarding Records Retention.
- f. The Finance Director or their designee will review the trial balances and scan the general ledger detail each month to identify posting errors, unusual activity, and/or unauthorized transactions.
- g. Each balance sheet account will be reconciled to the subsidiary ledgers or supporting schedules each month and the Bookkeepers will prepare any necessary adjusting journal entries. Such reconciliations and adjusting journal entries will be subject to review and approval by the Finance Director or their designee.
- h. The Finance Director will review budget to actual reports for all funds and distribute such reports within 5 days of each month-end close to the appropriate Program Directors and the Tribal Chairperson or his or her designee for review. Unusual variations must be reviewed and the Program Director must provide an explanation of variances greater than 10% to the Finance Director within 30 days of the end of the applicable period. Furthermore, the Program Directors are responsible for informing the Finance Director of any discrepancies noted in the financial reports.

(E) SYSTEM SECURITY.

1. Control Objective.

To ensure the integrity and security of the financial information.

2. Reason for Controls.

Ensuring that financial information is secure is essential to preventing and detecting fraudulent misstatements, reducing the risk of loss of information, and maintaining confidentiality.

3. Control Activities.

- (i)** Authorized persons will be assigned a confidential user name and password to access the accounting system. All authorized users are responsible for any activity performed utilizing their logon information. Accordingly, employees are prohibited from sharing their password information with any other persons.
- (ii)** Users are required to sign-off from their computer terminals when they leave their desks.
- (iii)** As prompted by the accounting system software, employees must change their logon information every 60 days.
- (iv)** Only the Finance Director is authorized to set up new system users or change user settings. The user settings will be customized for each person to limit access to accounting modules required for their job assignments.
- (v)** The server that hosts the accounting system must be backed-up each day. The replicated data will be stored in a location protected from fire or water damage. A weekly back-up of all financial data will be maintained off-site. Period tests will be performed to ensure that the back-up system is functioning properly and data is retrievable.
- (vi)** Any new software must be approved by the Finance Director and the Tribe's Information Technology Director before it can be installed on any computer terminal in the Finance office.
- (vii)** Access to source codes and/or programming documentation is restricted to authorized persons independent of accounting functions.
- (viii)** Remote access to the accounting system is restricted to authorized persons with secure connections.

SECTION IV
CASH MANAGEMENT

(A) GENERAL.

In this section, the Tribe describes the control objectives and activities for cash receipts, cash disbursements, imprest checking accounts and petty cash funds.

(B) CASH RECEIPTS.

1. Control Objective.

To prevent and detect the theft or loss of cash assets and ensure cash receipts are completely and accurately recorded in the general ledger.

2. Reason for Controls.

The Tribe is responsible for implementing cost effective internal controls to prevent or detect misappropriation of assets and/or fraudulent financial reporting. A theft or loss of money may also affect the Tribe's ability to administer its program services.

3. Control Activities.

- (i)** Customers will be instructed that all payments sent through the mail must be addressed to the Tribe's post office box in Shingle Springs, California.
- (ii)** A Finance staff member who does not have access to accounts receivable processing and is not responsible for bank reconciliations will open the mail, accept cash and checks delivered to the Finance Department, and prepare a list of amounts received noting the date, payer, and amount.
- (iii)** The Finance staff who receives cash and checks is also responsible for the following:
 - a.** Stamping the back of the checks with a restrictive endorsement immediately upon receipt.
 - b.** Preparing pre-numbered triplicate receipts for all amounts received in person. The original receipt is given to the payer, the yellow copy is attached to the deposit summary and the pink copy is maintained in the receipt book
 - c.** Preparing the bank deposit summary with all receipts and check stubs attached.
 - d.** Taking the bank deposits to the bank each day when the total of checks and cash equals or exceeds \$1,000 or as necessary.
 - e.** Attaching the bank deposit receipts to the deposit summary.
 - f.** Forwarding the list of cash and checks received directly to the person who completes the bank reconciliation.
 - g.** Forwarding the deposit detail to the Bookkeeper who is responsible for recording accounts receivable transactions and revenue.

- (iv) Cash and checks on hand must be stored in a secure location at all times.
- (v) The Accounts Receivable Clerk is responsible for posting the amounts included in the deposit summary to the applicable account receivable or revenue account.
- (vi) The Accounts Receivable Clerk will print a copy of the posted transactions to attach to the deposit summary. All documents will be filed in chronological order.
- (vii) The person who reconciles the bank account will verify that the total of amounts included on the list of items received prepared by the Finance Staff member agrees with the deposits as reflected on the bank statement and in the general ledger.
- (viii) Only the Finance Director or his designee is authorized to request drawdowns of grant funds. All such requests will be completed as prescribed in the grant documents and the money will be electronically deposited into the Tribe's bank account.
- (ix) The Finance Director or their designee shall forward copies of the drawdown requests to the Accounts Receivable Clerk and person responsible for reconciling the bank accounts.
- (x) The Accounts Receivable Clerk shall record the electronic deposits upon receipt of the remittance advice from the grantor agency.
- (xi) The person who reconciles the bank account shall verify that all grant drawdown requests match the electronic deposits.

(C) CASH DISBURSEMENTS.

1. Control Objective.

To prevent and detect the theft or loss of cash assets and ensure cash disbursements are in accordance with applicable laws and regulations.

2. Reason for Controls.

The Tribe is responsible for implementing cost effective internal controls to prevent or detect misappropriation of assets and/or fraudulent financial reporting. Furthermore, it is imperative that expenditures are made in accordance with applicable laws, regulations, and agreements to ensure program viability.

3. Control Activities.

- (i) All disbursements, except those paid with petty cash, will be paid in the form of a check, -electronic transfer, or when approved by the Finance Director, credit card.
- (ii) Checks made payable to "cash" are prohibited. All checks must be made payable to an individual or vendor to maintain a proper audit trail.
- (iii) Checks are prepared for distribution at 1:00 pm Friday. All payment requests and invoices must be delivered to the Finance Department with a

Batch Cover Sheet by 12:00 p.m. on the previous Wednesday to be included in the check run. Failure to include all required documents with the batch will result in delays.

- (iv) No payments will be made to businesses or individuals unless a completed Form W-9 is on file at the Finance Department.
- (v) When preparing checks, the Accounts Payable Bookkeeper will mark the invoices for payment and the system will produce a preliminary check register. The preliminary check register must be reviewed and compared with the supporting documentation for accuracy.
- (vi) The Accounts Payable Bookkeeper must review the printouts and pull the appropriate number of blank checks.
- (vii) Unused checks are to be maintained in a secure location at all times. Access to the unused check stock must be limited to authorized persons.
- (viii) Checks are to be used in numerical sequence.
- (ix) The Accounts Payable Bookkeeper prints the actual checks and must verify that the correct check numbers are assigned to the payments.
- (x) Once the verification is complete, the transactions are posted to the general ledger and a final check register is printed. The final check register must agree with the preliminary check register and both check registers will be filed in chronological order.
- (xi) The checks must be attached to the appropriate supporting documentation and forwarded to the authorized check signers for review.
- (xii) All checks require two signatures. Authority to sign checks is restricted to individuals approved by the Tribal Council.
- (xiii) Blank or incomplete checks are never to be signed by an authorized person.
- (xiv) Check signers will ensure that the checks match the supporting documentation and verify that the expenditures are necessary, reasonable and properly approved.
- (xv) The Finance Director will also verify that the account coding is correct.
- (xvi) The Finance Director or designee will detach the signed checks as he approves them and give them to another Bookkeeper for immediate distribution. Signed checks must not be returned to the Bookkeeper who prepared them.
- (xvii) The check stubs attached to the supporting documentation will be filed by check number.
- (xviii) Accounts Payable, Payroll, TANF cash aid, supportive services payments, and Per Capita payments can also be processed through electronic fund transfers.

- (xix) All online electronic fund transfers require the approval of the Finance Director.
- (xx) A “Direct Deposit Voucher” will be completed for all online electronic fund transfers. These vouchers must be signed by the preparer and two authorized check signers as evidence of approval.
- (xix) At the end of each day, the Finance Director or his designee must review the report of all electronic transfers made since the previous activity report in order to identify any unauthorized transactions.

(D) IMPREST CHECKING ACCOUNTS AND PETTY CASH FUNDS.

1. Control Objective.

To protect against the theft or loss of cash assets while ensuring funds are available for small purchases and/or emergency client assistance.

2. Reason for Controls.

The Tribe is responsible for implementing cost effective internal controls to prevent or detect misappropriation of assets and/or fraudulent financial reporting. Imprest accounts and petty cash funds are desirable to reduce the administrative burden associated with numerous small purchases and/or emergency payments.

3. Control Activities.

Each imprest checking account or petty cash fund must be approved by the applicable Program Director and authorized by the Finance Director.

- (i) A custodian will be assigned to each imprest checking account or petty cash fund.
- (ii) The custodian is responsible for maintaining the unused checks/funds in a secure location, disbursing the funds in accordance with the applicable policies, reconciling the cash and receipts, and replenishing the fund when necessary.
- (iii) The imprest checking account custodian will maintain a check register and appropriate supporting documentation for all disbursements, including approved check requests and other documents described in the General Ledger Activity section.
- (iv) The account custodian will reconcile the disbursements and available cash balance using the prepared standard reconciliation worksheet when the account needs to be replenished, but not less than monthly. The custodian will maintain copies of the reconciliation and supporting documentation and forward the originals to the Finance Department. The Finance Director or their designee will review the supporting documentation to ensure that disbursements are properly approved, include appropriate supporting documentation and do not exceed allowable amounts prior to authorizing the replenishment.

- (v) The bank statements for imprest checking accounts will be delivered directly to the Finance Department and a Bookkeeper will reconcile the bank account comparing the activity with the information provided by the account custodian. The Bookkeeper must also review the cancelled checks for alterations, authorized signatures, and appropriate amounts.
- (vi) The petty cash custodian will maintain a log to document account activity and detail the date, signature of person requesting the funds, amount disbursed, the purpose of the disbursement, the total of the receipts and/or change returned to the custodian and the custodian's initials.
- (vii) Disbursements from a petty cash fund may not exceed \$100 without the prior written approval of the Finance Director. Furthermore, the petty cash fund may not be used to cash checks for anyone.
- (viii) The petty cash custodian will reconcile the receipts and available cash balance using the prepared standard reconciliation worksheet when the account needs to be replenished. The reconciliation must be reviewed and approved by the Finance Director or their designee before a check is requested.
- (ix) The checks to replenish an imprest checking account will be made payable to the applicable bank and referenced to the account number. The checks to replenish petty cash funds will be made payable to the assigned Custodian.
- (x) Unannounced periodic test counts and verification of account balances will be performed by the custodians' supervisors at least quarterly.
- (xi) There will be zero tolerance for any unauthorized disbursements, disbursements in excess of established limits, excessive transactions, splitting of transactions in order to circumvent controls or other apparent abuse of custodial funds and perpetrators will be subject to disciplinary action as set forth in the Human Resources Policies and Procedures Manual.

SECTION V
ACCOUNTS RECEIVABLE

(A) GENERAL.

In this section, the Tribe describes the control objectives and activities for Accounts Receivable, other than grants receivable.

1. Control Objective.

To ensure that client billings are complete and accurate, the Accounts Receivable balance reflects earned revenue that is available, and the risk of loss from bad debt is minimized.

2. Reason for Controls.

Complete and accurate recording of Accounts Receivable and minimization of bad debt write-offs is essential to maximizing revenue. Also, the modified cash basis of accounting requires that Accounts Receivable be available (i.e. collectible within the current period.)

3. Control Activities.

- (i)** A Bookkeeper who is independent of cash receipts handling and bank reconciliation procedures will be assigned to record Accounts Receivable.
- (ii)** Accounts Receivable control accounts will be established for all major classifications of receivables such as Tribal member receivables, employee receivables, and travel advances. Subsidiary accounts will be set-up for each individual Tribal member, grantor, employee, or board member as required.
- (iii)** Accounts Receivable will be entered as of the date earned, if such revenue is considered available.
- (iv)** Tribal member Accounts Receivable will be recorded based upon a signed promissory note stating the terms of the loan and/or advance. The promissory notes shall be kept on file at the Finance Department.
- (v)** Each Account Receivable shall be set-up under the Tribal Member's name, as the Tribal member is ultimately responsible for payment.
- (vi)** Charges are posted after the Tribal member has received such loan/advance.
- (vii)** Grants receivable will be recorded based upon grant reimbursement requests prepared by the Fiscal-Finance Director or their designee.
- (viii)** Employee receivables and travel advances will be recorded based upon amounts loaned to employees or approved travel advance requests.
- (ix)** The Accounts Receivable Clerk is responsible for posting payments to the appropriate accounts receivable as amounts are collected.

- (x) Other than reductions for payments received, any adjustments to Account Receivable balances must be accompanied by appropriate supporting documentation as detailed in the General Ledger Activity section.
 - (xi) All credit memos shall be approved by the Finance Director or their designee prior to posting.
 - (xii) The Accounts Receivable Clerk will print an Accounts Receivable aging report at the end of each month and perform the following:
 - a. Reconcile the totals to the control accounts in the general ledger.
 - b. Review for credit balances or other unusual items.
 - c. Identify delinquent accounts that require follow-up action.
4. Accounts, other than grants/employee receivables or travel advances, will be considered delinquent if there have been no payments or documented correspondence for 30 days or more.
 5. The Accounts Receivable Clerk will follow up on all delinquent accounts as follows:
 - (i) After 30 days, a courtesy phone call will be made to discuss payment options and the phone call will be documented in the file.
 - (ii) After 60 days, a delinquency notice will be sent via certified mail.
 - (iii) After 90 days, a collection notice will be sent via certified mail. If no response is received within ten business days, the account will be turned over to a collection agency and written off to bad debt expense.
 - (iv) Delinquent Health & Wellness Center patient accounts are subject to the Statement and Collections Policies and Procedures approved by the Health Board and managed by the Health and Wellness Center billing designees.
 6. Account statements will be prepared for all persons with account balances on the last day of each month. Such statements shall be mailed by the fifth day of the following month.
 7. Health & Wellness Center patient account statements will be prepared per the Statement and Collections Policies and Procedures approved by the Health Board and managed by the Health and Wellness Center billing designees.
 8. The Finance Director or their designee shall review credit memos as reflected in the general ledger for accounts receivable each month.
 9. Customer complaints or questions should initially be referred to the Finance Director.

SECTION VI
ACCOUNTS PAYABLE AND PURCHASING

(A) GENERAL.

In this section, the Tribe describes the control objectives and activities for Accounts Payable and Purchasing.

1. Control Objective.

To ensure that acquired goods and services are necessary to operate programs and are of good quality and reasonable price while maintaining the highest standards of conduct in all relationships with vendors. Also, to ensure that expenses are properly recorded in the accounting records.

2. Reasons for Controls.

Ensuring that expenses are necessary, reasonable and properly recorded are essential to ensuring that costs are allowable in accordance with grant agreements, laws, and regulations. Furthermore, controls, including high standards of conduct, are necessary to prevent and detect fraud and/or errors.

3. Control Activities.

- (i)** All expenses charged to federal programs will be in accordance with OMB Circular A-87 (relocated to 2 C.F.R. Part 225), Cost Principles for State, Local and Indian Tribal Governments and Section 7(b) of the Indian Self Determination & Education Act (25 USC 450e (b)) which provides to the greatest extent feasible, preference and opportunities be given to American Indians and American Indian owned business enterprises and OMB Circular A-102 (45 C.F.R Part 92.36(e)).
- (ii)** The Tribe will have a list of approved vendors for normal recurring purchase transactions. Inclusion in the vendors list requires the approval of the Tribal Chairperson, Tribal Administrator and or Finance Director.
- (iii)** With the approval of the Tribal Chairperson and Finance Director, credit accounts will be established with approved vendors to reduce the need for individual disbursements for each purchase.
- (iv)** The Accounts Payable Bookkeeper is responsible for ensuring that all new vendors complete a Form W-9 before any payments are processed for the vendor.
- (v)** Employees must complete a purchase requisition, which is available as a PDF file, prior to obtaining any goods or services.
- (vi)** The purchase requisitions must be signed by the preparer and approved and signed by the appropriate supervisor. Typed signatures are not acceptable. The signature must be an actual signed named or an email sent from the approver's email account.

- (vii) All purchase requisitions must be in accordance with the approved budget line items for the applicable program.
- (viii) Any purchase requisitions for property or equipment must be included in the approved capital budget. Furthermore, if the purchase of property or equipment valued at more than \$5,000 is to be charged to a federal program, the cost must be specifically approved by the grantor agency prior to acquisition in order to be considered an allowable cost.
- (ix) Remote sites must also complete purchase requisitions and email them to the Finance Department prior to obtaining goods or services. Purchase requisitions from remote sites must be emailed by a supervisor as evidence of approval by that supervisor.
- (x) Purchase requisitions shall include freight and/or shipping charges, as applicable.
- (xi) A Bookkeeper receives all purchase requisitions and reviews them to ensure that the proper documentation is available and approved by an authorized person.
- (xii) Except for real estate purchases, purchases of goods or services exceeding \$5,000 must be accompanied by at least three price quotes or bids. If such comparisons are not available because of the unique characteristics of the product or service, or if the vendor is already approved, the circumstances should be noted in the vendor file.
- (xiii) Whenever possible, all effort should be made to buy American products from American suppliers, with a preference for Native American products from Native American suppliers.
- (xiv) Except for real estate purchases, purchases of goods or services exceeding \$100,000 shall be subject to a formal bidding process as advertised in a public notice.
- (xv) All price quotes and bids will be evaluated based upon the price, value, quality, and availability of the merchandise or service. A written justification shall be attached to the bid information if the selected bid is not the lowest price.
- (xvi) The following persons are authorized to approve purchase requisitions for the amounts indicated:
 - a. Supervisors - up to \$1,500
 - b. Managers - up to \$2,500
 - c. Assistant Directors – up to 5,000
 - d. Department Directors - up to \$10,000
 - e. Tribal Administrator – up to \$25,000
 - f. Tribal Chairperson - up to ~~\$20,000~~ \$50,000

- (xvii) Any purchase requisitions in excess of \$20,000 must be reviewed by the Tribal Council.
- (xviii) Purchases in excess of \$10,000 must be reviewed by the Finance Director before being submitted to the Tribal Chairperson for approval to ensure that cash is available and/or financing alternatives have been considered.
- (xvix) All financing agreements must be reviewed by the Finance Director and Tribal Attorney before they are entered into to ensure that the Tribe can comply with any and all restrictive covenants or conditions that may apply.
- (xx) The ability to enter into a financing agreement is strictly limited to the Tribal Chairperson.
- (xxi) All negotiated terms must be in writing and included with the purchase documents.
- (xxii) Any agreements to enter into extended purchase agreements or commitments must be approved by the Tribal Chairperson.
- (xxiii) All purchases require a purchase request and must be signed by the preparer and an authorized supervisor.
- (xxiv) For payment requests other than advances, proper supporting documentation must be attached to the approved request when submitted.
- (xxv) Payment request forms are not required for normal recurring expenses such as utilities or rent.
- (xxvi) Once a purchase is made, the employee will forward the purchase requisition, receiving documents or receipts to the Accounts Payable Bookkeeper in the Finance Department.
- (xxvii) When purchases are delivered to the Tribe or one of the program sites, the person accepting the merchandise shall verify the quantity and products and sign the receiving document as evidence of receipt. All receiving documents must be forwarded to the Finance Department immediately upon receipt.
- (xxviii) If not provided at the time of purchase, invoices are to be mailed to the Tribe's post office box in Shingle Springs, California and distributed to the Accounts Payable Bookkeeper.
- (xxix) Invoices will be matched with the purchase requisitions and signed delivery documents, if applicable.
- (xxx) Certain vendors are paid monthly from statements. However, all charges on statements must be verified against invoices, which are entered separately into the accounts payable system and attached to the statement.

- (xxxix) The Accounts Payable Bookkeeper will code the expenses to the proper fund/account number and write the account coding on the supporting documentation. Expenses will be posted as direct program costs or indirect costs as set forth in the Tribe's indirect cost proposal.
- (xxxix) Expenses must be recorded in the general ledger as of the invoice or receipt date.
- (xxxix) The accounting system assigns entries to batches. Once the invoices are entered, the Accounts Payable Bookkeeper must review the Batch Verification Report for input errors, make any necessary corrections at that time, and post the expenses.
- (xxxix) Once posted, the invoices or receipts will be canceled utilizing a "Posted" stamp.
- (xxxix) Each month, the Accounts Payable Bookkeeper will review open requisitions and follow up on those that are outstanding for more than 30 days.
- (xxxix) Purchases shall not be divided or otherwise manipulated in order to reduce the amounts involved to circumvent established bid or approval requirements. Such actions are considered intentional misrepresentations and are subject to disciplinary action as set forth in the Human Resources Policies and Procedures Manual.
- (xxxix) Because of the limited housing and real property available near the Rancheria, there are time constraints inherent in the purchase of real property. Accordingly, the purchase of real property is subject to the following requirements:
 - a. Purchases of real property can only be made with unrestricted funds unless specifically approved by the granting agency.
 - b. On an annual basis, the Tribal Council will review the Tribe's real property requirements and approve an acquisition plan based upon anticipated need.
 - c. Upon mutual consent, the Tribal Chairperson, or their designee, and Finance Director may initiate a purchase of real property and the payment of earnest money.
 - d. The initiation of a purchase of real property not included in the acquisition plan requires the consent of the Tribal Council.
 - e. The Finance Director and Tribal Chairperson, or their designee, are responsible for performing an analysis of financing options.
 - f. All real property purchases and related financing agreements must be specifically approved by the Tribal Council, via Tribal Council resolution, prior to the close of escrow.

- (xxxviii) All persons initiating, processing, or approving a purchase transaction must adhere to the Code of Conduct as set forth in the Human Resources Policies and Procedures Manual. Furthermore, such persons are subject to the following requirements:
- a. All persons must disclose any personal or business relationships with vendors.
 - b. All persons must refrain from authorizing any purchase transactions involving related parties.
 - c. All persons are prohibited from accepting gifts of any kind that exceed a nominal value from any vendors, marketing agents, sales agents, etc., during a transaction.
 - d. All persons are prohibited from entering into side agreements involving any purchases or agreements.
 - e. All persons are prohibited from receiving cash incentives, commissions, or kickbacks.
 - f. All persons are prohibited from sharing proprietary information or disclosing information included in bids to outside parties.
- (xxxix) The Accounts Payable Bookkeeper is responsible for completing all Forms 1099 in accordance with the requirements of the United States Internal Revenue Service.

SECTION VII
CONTRACTUAL AGREEMENTS

(A) GENERAL.

In this section, the Tribe describes the control objectives and activities for contractual agreements.

- 1. Control Objective.**
To ensure consistency in the administration of contractual agreements.
- 2. Reason for Controls.**
Consistent administration of contractual agreements is necessary to ensure compliance with laws and regulations and proper financial reporting.
- 3. Control Activities.**
 - (i)** All contractual agreements must be approved by the Tribal Chairperson. Contractual agreements must be reviewed by the -Finance Director, Tribal Administrator and Tribal Attorney to ensure that the agreements are in accordance with applicable laws and regulations, are properly included in regulatory reports, and are in accordance with budgetary constraints. Limited Waivers of Sovereignty must be reviewed by the Tribal Attorney and approved by the Tribal Council.
 - (ii)** Contractual agreements are subject to the same procurement requirements for price quotes, public notification and bids as other purchases. In addition, for contracts in excess of \$100,000 that will be paid with federal funding, the Finance Director must ensure that the contractor is not suspended or debarred.
 - (iii)** The contract service provider is responsible for submitting invoices when payment is due. Such invoices must be approved in accordance with the Accounts Payable and Purchasing section of this manual.
 - (iv)** The Accounts Payable Bookkeeper is required to verify that each contract service provider has a completed Form W-9 on file before processing any contractual invoices for payment.
 - (v)** Payments to contract service providers will be reported in accordance with the requirements of the California Employment Development Department.
 - (vi)** Forms 1099 will be prepared annually for applicable contract service providers in accordance with the United States Internal Revenue Service requirements.

SECTION VIII
PAYROLL AND FRINGE BENEFITS

(A) GENERAL.

In this section, the Tribe describes the control objectives and activities for payroll and fringe benefits.

- 1. Control Objective.**
To ensure that payroll, fringe benefits and related payroll taxes are recorded completely and accurately.
- 2. Reason for Controls.**
The complete and accurate recording of payroll transactions is necessary to ensure compliance with laws and regulations and proper reporting to grantor agencies.
- 3. Control Activities.**
 - (i)** A Human Resource Department Staff member is assigned the responsibility for maintaining the payroll register by adding new employees, entering changes to payroll rates, entering payroll deductions, entering tax withholdings based upon the Form W-4 completed by the employee, calculating leave benefits and allocating the wages to the appropriate fund and expense accounts. All changes must be made each Wednesday before processing payroll.
 - (ii)** The Finance Director or his designee is responsible for ensuring that all payroll tax rates and withholding schedules are current in accordance with state and federal regulations.
 - (iii)** All changes to employee status must be supported by an approved Employee Action Notice form completed by Human Resources. All Employee Action Notice forms must be approved by Human Resources, the Program Director, the Finance Director, the Tribal Administrator and the Tribal Chairperson.
 - (iv)** The Human Resources Staff Member must sign the Payroll Action Notice form to document that the changes have been made in the payroll system.
 - (v)** All personnel records, including the Forms W-4, are to be maintained in the Human Resources Department.
 - (vi)** Each employee, whether exempt or hourly, is required to have a profile in the time clock software.
 - (vii)** Hourly employees are required to register their hand print and to clock in and out at the start, lunch breaks, and end of day each day they work.
 - (viii)** Each hourly employee that works for multiple programs shall prepare a quarterly certification indicating actual time worked for specific programs.

- (ix) Absences (excused or unexcused) for both hourly and exempt employees will be entered into the time clock system by their supervisor. The software will alert the supervisor if the requested paid time is available.
- (x) Any changes or additions needed to an employee's time worked will be made by the supervisor and must be accompanied by a Time Clock Edit Form signed by the employee.
- (xi) Timesheets must be verified by supervisors by Tuesday before 8:00 a.m. All supporting documents must be submitted to the Payroll Administrator as well.
- (xii) Payroll checks are prepared and distributed on Friday after 11:00 a.m. If Friday is a holiday, the payroll checks will be prepared on the previous business day.
- (xiii) The Payroll Administrator shall import the time clock information from time clock software into the accounting software and review all timesheets, recalculate the total number of hours and verify that any reported leave time is supported by an approved leave request. All leave requests must be attached to the appropriate timesheet.
- (xiv) Hourly employees accrue compensatory time off at 150% of overtime worked. Overtime is defined as any hours actually worked in excess of 40 work hours in a week, as reported on the timesheets. Any leave time or holidays are deducted from the total number of hours reported in a week before calculating overtime.
- (xv) Exempt employees do not accrue compensatory time off for overtime worked.
- (xvi) Employees will be paid for holidays in accordance with the Human Resources Policies and Procedures Manual.
- (xvii) In order to prepare payroll, the Payroll Administrator will access the payroll module in the accounting system and create a pay group.
- (xviii) The Payroll Administrator will import from time clock software or enter all hours including leave benefits, overtime, etc. for all employees in the pay group as documented on approved time sheets.
- (xvix) A deduction authorization form signed by the employee must be on file in the Finance Department for all voluntary payroll deductions.
- (xx) If an employee fails to submit Time Clock Edit Forms to their supervisor, but is known to have worked, the employee will be paid for his/her hours as they appear in the time clock software for that pay period. Once the edited timesheet is submitted, the next biweekly paycheck will be adjusted for the difference. The check detail for unedited paycheck must be attached to the adjusted check as evidence of the additional pay.

- (xxi) If a supervisor fails to verify an employee's time sheet prior to the payroll cut-off date and time the employee will be paid for his/her hours as they appear in the time clock software until the supervisor corrects the hours. The supervisor's paycheck will default to a paper check (no direct deposit) and will be held until they complete their job duties by verifying their employee's time sheets.
- (xxii) The Payroll Administrator must verify all individual payroll records in the system before proceeding with the payroll processing.
- (xxiii) The Payroll Administrator must review the "Payroll Transaction Audit Report" on the screen and make any necessary changes at this time.
- (xxiv) The Payroll Administrator must Build Payroll checks selecting the appropriate options to include in the net pay calculation including benefits, deductions, and pay groups. If changes are determined to be necessary after the net pay is calculated, the Payroll Bookkeeper must "remove" the batch from the Build Checks and make corrections to the appropriate batch.
- (xxv) The Payroll Administrator shall print a report of the payroll detail by employee and print the check stubs for distribution to the employees. Each employee's balance of available leave time must be printed on the check stubs.
- (xxvi) The Payroll Administrator shall print a check register report and a "One Line Check List" report to be attached to the bank direct deposit report and a cover sheet.
- (xxvii) Prior to transmission to the bank, the timesheets, leave approval forms, check register report, "One Line Check List" report, payroll detail report, and a cover sheet are attached for approval by Finance Director. The persons approving the payroll must sign the cover sheet as evidence of their approval.
- (xxviii) The Payroll Administrator shall prepare the bank direct deposit report in the payroll system and export the file to the bank.
- (xxvix) The Payroll Administrator must access the bank web site utilizing his/her unique password, import the direct deposit report, and set the effective date for the transfers. A second Finance department employee shall approve the direct deposit file within the bank web site.
- (xxx) The Payroll Administrator must retain the transmission confirmation report, which verifies that the transfer was sent to the bank and attach it to the batch of payroll reports.
- (xxxi) The Finance Director or their designee shall prepare

all payroll tax reports and tax deposits by the statutory due dates. All payroll tax reports must be supported by the reports produced by the payroll module in the accounting system.

- (xxxii) The Fiscal Finance Director must review all payroll tax reports and sign the applicable cover sheets as evidence of approval.
- (xxxiii) The Payroll Administrator shall prepare any necessary journal entries to reclassify reimbursements or other amounts withheld from employees' paychecks.
- (xxxiv) The approved payroll documents must be filed and maintained in accordance with the Section 12 Records Retention.
- (xxxv) The Finance Director or their designee is responsible for preparing Forms W-2 for each employee at the end of the calendar year in accordance with the United States Internal Revenue Service requirements.
- (xxxvi) The Finance Director or his designee must ensure that the W-2 forms are reconciled to payroll expenses as reflected in the general ledger.
- (xxxvii) The Tribe is authorized to make discretionary contributions ranging from 5% to 25% of compensation to employees' 401(k) plans. Such discretionary contributions must be approved by the Tribal Council and processed according to the applicable 401(k) plan documents and agreements.

SECTION IX

FIXED ASSESTS

(A) GENERAL.

In this section, the Tribe describes the control objectives and activities for fixed assets. Fixed assets are any asset with a value greater than \$5,000 and a useful life greater than three years that cannot be easily converted to cash.

1. Control Objective.

To ensure fixed assets are properly valued, recorded and safeguarded from theft or loss.

2. Reason for Controls.

Federal and state regulations require that the Tribe establish a system to ensure adequate records exist to identify and value fixed assets. Furthermore, the Tribe is responsible for safeguarding its fixed assets from theft or loss and ensuring the accurate financial reporting of its fixed assets in accordance with generally accepted accounting principles.

3. Control Activities.

- (i)** Management shall prepare an annual capital expenditure budget subject to the approval of the Tribal Council.
- (ii)** The Accounts Payable Bookkeeper shall forward all invoices for fixed asset acquisitions to the Finance Director to maintain the fixed assets inventory/database. The supporting documentation for all fixed asset acquisitions and disposals shall be maintained in a central location.
- (iii)** Upon acquisition, all fixed assets will be assigned a unique identification number that will be shown on a tag affixed to the asset. All assets must have a tag or otherwise be clearly identified as the property of Shingle Springs Band of Miwok Indians (i.e. vehicles have the Tribe's name or logo painted on a door).
- (iv)** Fixed assets shall be valued at cost or estimated fair market value, if donated.
- (v)** Under the Tribe's Property and Inventory Management Policy, the Finance Department will maintain an inventory list/database of all fixed assets. The inventory list shall include the following information:
 - a.** An asset identification number that matches the asset tag.
 - b.** Major classification of asset (i.e. equipment, vehicle, building, etc.)
 - c.** The date the asset is placed in service.
 - d.** Fund classification (i.e. general government or special revenue.)
 - e.** A brief description of the asset.
 - f.** The location of the asset (i.e. site and department.)
 - g.** The value of the asset.
 - h.** The estimated useful life of each asset.

- i.** Current and accumulated depreciation, as applicable.
 - j.** Any restrictions on the use or disposition of the asset (i.e. government owned, donor imposed restrictions, etc.)
 - k.** The status of assets (i.e. in service, idle, impaired, or disposed.)
 - l.** The date and method of disposal, as applicable.
 - m.** Picture(s) of the asset.
- (vi)** At least annually, each department or program shall verify its fixed asset inventory list and note any change in status or condition as well in any changes in the estimated useful lives of the assets.
 - (vii)** The fixed asset inventory/database shall be reconciled to the activity as reflected in the general ledger and balances as reflected in the Tribe's financial statements on a monthly basis.
 - (viii)** The Finance Director shall review all additions to fixed assets and ensure the Tribe's insurance policies are updated as may be necessary.
 - (ix)** Fixed assets shall be restricted to business use. Employees are responsible to document any personal use of assigned vehicles and the Payroll Bookkeeper must include the value of such personal use as compensation on the employee's Form W-2.
 - (x)** All vehicles shall have a mileage log and all users are required to provide complete information such as odometer readings, condition of vehicle, destination, purpose of travel, and applicable program.
 - (xi)** Any disposals of fixed assets must be approved by the Finance Director prior to disposition. The Finance Director must ensure that the disposition is in accordance with all funding agency requirements.
 - (xii)** Any sale or distribution of fixed assets to employees, board members, or their family members must be approved by the Tribal Council and must be supported by documentation to substantiate that such transactions occurred at fair market value. These disposals must also be approved by the Finance Director to ensure that information is available for related party disclosures in the financial statements.
 - (xiii)** The keys for general use vehicles shall be maintained in a secure location and checked out to employees or board members on an as needed basis. Each employee or board member must sign the key log when keys are distributed and returned.
 - (xiii)** Keys for offices, buildings, gates, etc. shall be distributed to employees by the Human Resources Department and a central log shall be maintained to document the keys assigned to each person. Upon termination all keys must be returned to the Human Resources Department.

- (xiv) The theft, loss or destruction of any fixed assets must be reported to the Finance Director immediately to ensure that insurance claims are submitted in a timely manner.

SECTION X
GRANTS MANAGEMENT

(A) GENERAL.

In this section, the Tribe describes the control objectives and activities for the management of its grants.

- 1. Control Objective.**
To ensure compliance with grant requirements.
- 2. Reason for Controls.**
As the recipient of grant funds, the Tribe is required to ensure it complies with the grant.
- 3. Control Activities.**
 - (i)** All federal programs will be administered in accordance with OMB Circular A-102 Common Rule.
 - (ii)** All new grants must be approved by the Tribal Council.
 - (iii)** All grant documents shall be maintained in a central location and copies shall be forwarded to the Finance Director and applicable Program Director.
 - (iv)** The centralized grant files shall be organized with different sections that include the following:
 - a.** Award notification
 - b.** Approved budget and any subsequent modifications
 - c.** Financial reports and draw requests
 - d.** Program reports
 - e.** Correspondence and program audit reports
 - f.** Applicable regulatory information such as the program sheet from the Catalogue of Federal Domestic Assistance, Code of Federal Regulations (CFR), etc.
 - g.** Complete grant application.
 - (v)** Upon receipt of a grant award notification, a new fund will be established in the general ledger and a grant receivable and offsetting liability will be recorded for the award total.
 - (vi)** The grant receivable will be reduced for any drawdowns received.
 - (vii)** The grant liability account will be reduced as grant revenue is recognized. Grant revenue shall be recognized and recorded in an amount equal to the funds expended for the program or as services are performed in accordance with the terms of the grant.
 - (viii)** Program budgets shall include only allowable costs as set forth in approved grant budgets.

- (ix) The Tribal Council shall be notified of any program audits by a grantor agency and the results of any examinations.
- (x) The Program Directors are responsible for all program reporting requirements and the ~~Fiscal~~ Finance is responsible for all financial reporting requirements. (xi) The Finance Director shall request all grant draw downs on a monthly or quarterly basis as set forth in the grant documents.
- (xii) Requests for reimbursements will be based upon the applicable fund's expense activity as reflected in the general ledger for the current period adjusted for any changes in the year to date totals.
- (xiii) Requests for advance funds will be based upon anticipated need for the upcoming period adjusted for any deficiencies or excesses from the prior period in accordance with the applicable grant requirements.
- (iv) Interest earned on advanced federal funds will be separately identified and any interest in excess of \$100 annually shall be returned to the grantor.
- (v) Matching costs shall be documented for each federal or state program as required by the grant award. Only allowable costs paid with unrestricted funds or in-kind contributions may be considered as matching costs unless another method is approved in advance by the grantor agency.

SECTION XI
CREDIT CARDS

(A) GENERAL.

In this section, the Tribe describes the control objectives and activities for the use of credit cards.

1. Control Objective.

To ensure that credit cards are utilized strictly for business purposes and access to credit cards is restricted to authorized users.

2. Reason for Controls.

Ensuring that credit cards are used for business purposes is necessary to ensure that program costs are allowable and to prevent personal benefit. Restricting access to credit cards is necessary to reduce the likelihood of unauthorized transactions and reduce the risk of theft or loss.

3. Definitions.

For the purpose of these controls there are two types of credit cards. Individual employees may be issued an assigned credit card which requires a Credit Card Contract. An organizational credit card is not specific to any one employee and may be used by any employee who is authorized and completes the credit card check-out process.

4. Control Activities.

- (i)** A signed Credit Card Contract must be on file prior to the issuance of a credit card.
- (ii)** All credit cards and credit limits shall be approved by the Fiscal-Finance Director and Tribal Chairperson.
- (iii)** Credit cards are a method of payment and may not be used to circumvent established purchasing policies. All credit card purchases are subject to the purchasing requirements set forth in the Accounts Payable and Purchasing section of this manual.
- (iv)** A person independent of accounts payable functions shall be assigned custodial responsibility for organizational credit cards. Such credit cards must be maintained in a secure location at all times.
- (v)** The specific business purpose shall be noted on each credit card receipt.
- (vi)** The Custodian is responsible for maintaining records of organizational credit card usage. A person must sign a credit card log each time a credit card is checked-out. The log shall detail the dates and times the cards are distributed and returned, the person to whom the card is given, the intended purpose, and the actual amount of the expenditure.
- (vii)** When credit cards are checked-out, all receipts must be returned with the credit card.

- (viii) Organizational credit cards must be returned to the Finance Department within 24 hours of issuance.
- (vix) The Accounts Payable Bookkeeper will forward a copy of all credit card statements to the assigned users.
- (x) The assigned users must review the credit card statements for unusual activity and provide receipts to substantiate all charges. Any unauthorized transactions must be immediately reported to the Fiscal Director or his designee.
- (xi) All supporting receipts must be submitted to the Accounts Payable Bookkeeper within five business days of receiving the statement.
- (xii) The Accounts Payable Bookkeeper shall match the receipts to all charges and prepare a check or electronic voucher for payment. The payments are subject to the same procedures required for all cash disbursements.
- (xiii) The assigned users are responsible for any transactions not substantiated by a receipt unless a formal dispute has been made. The assigned user must submit payment for any unsubstantiated charges when receipts are turned in.
- (xiv) If a person is unable to substantiate a purchase with a receipt for an expense, a detailed written explanation of the charge(s) shall be generated and signed by the purchaser and their direct supervisor. The explanation shall be submitted to the Accounts Payable Bookkeeper to be approved by the Finance Director prior to payment. If the Finance Director does not approve the charge, credit card privileges for the purchaser will be revoked immediately and a payroll deduction in the total amount due will be made during the next payroll following the incident.
- (xv) If a person has unsubstantiated charges (unallowable expenses, missing receipts) that are not immediately paid by the individual, that person's credit card privileges will be revoked immediately and a payroll deduction in the total amount due will be made during the next payroll following the incident.

SECTION XII
RELATED PARTY

(A) GENERAL.

In this section, the Tribe describes the control objectives and activities for related party transactions.

1. Control Objective.

To ensure that related party transactions are conducted at reasonable terms and are properly reported in the Tribe's financial statements.

2. Reason for Controls.

Guidelines must be established to ensure that the Tribe does not incur losses because of unfair transactions. Furthermore, the Tribe is required to disclose the nature and extent of related party transactions in its financial statements.

3. Control Activities.

- (i)** Employees and board members are required to disclose conflicts of interest and any related parties in accordance with the Human Resources Policies and Procedures Manual.
- (ii)** All disclosures of conflicts of interest and/or related parties must be provided to the Fiscal Director.
- (iii)** The Finance Director is responsible for identifying related party transactions while performing his usual approval procedures.
- (iv)** All related party transactions shall be approved by the Tribal Chairperson. All related party transactions involving a Tribal Council or Board Member must be approved by the Tribal Council.
- (v)** Additional documentation, such as price comparisons, evidence of fair market value, Tribal Council approval, etc. must be available for all related party transactions.
- (vi)** At the end of each year, the Finance Director will provide the Accounts Payable and Accounts Receivable Bookkeepers with a list of related parties and the Bookkeepers shall produce a transaction report for those persons to identify all related party transactions.
- (vii)** The Finance Director or his designee shall summarize the related party activities for disclosure in the footnotes of the Tribe's financial statements.

SECTION XIII
RECORDS RETENTION

(A) GENERAL.

In this section, the Tribe describes the control objectives and activities for Finance records retention.

- 1. Control Objective.**

To ensure that financial records are available to meet the business needs of the Tribe and comply with applicable regulatory requirements.
- 2. Reason for Controls.**

Historical financial records may be necessary to assist management in performing various duties such as trend analysis, budgeting, etc. Also, the Tribe is required to maintain records for federal and state regulatory purposes.
- 3. Control Activities.**
 - (i)** Annual financial records, including original documents and computer files, shall be stored in boxes and maintained in a secure location.
 - (ii)** The storage boxes shall be numbered and clearly labeled with a description of the contents (i.e. 2011 payroll records.)
 - (iii)** The storage facility shall provide protection from environmental damage and be secure to restrict access to authorized persons.
 - (iv)** Sensitive financial information such as payroll records shall be segregated from other department's records.
 - (v)** There shall be a master list of the contents of each storage facility. The master list will indicate the box numbers and a brief description of the contents.
 - (vi)** A log shall be maintained to document boxes stored or items removed from the storage facility.
 - (vii)** The storage facility should be organized in such a manner that the descriptions on the boxes are easily visible, each year's information is kept in the same area, and boxes are rotated so current information is more easily accessible.
 - (viii)** Financial records shall be maintained for a minimum of seven years, unless a longer term is required by federal or state regulations.
 - (vix)** Financial records involving any grant disputes or questioned costs must be retained at least until the issue is resolved.
 - (x)** The Finance Director shall review and update the record retention policy each year for any changes in regulatory requirements.

SECTION XIV
AUDIT

(A) GENERAL.

In this section, the Tribe describes the control objectives and activities for financial statement audits.

1. Control Objective.

To ensure the Tribe's annual financial statements are audited in accordance with governmental regulations and assist the Tribe in achieving excellence in its financial reporting.

2. Reason for Controls.

Federal and state funding agencies have various audit requirements for grant recipients and the Tribe is committed to ensuring quality in its financial reporting.

3. Control Activities.

- (i)** The Tribe shall establish an Audit Committee comprised of independent persons with significant knowledge of financial operations and experience with governmental entities. The members of the Audit Committee shall be appointed by the Tribal Council. The members may be Tribal members and/or Tribal employees. In the absence of an Audit Committee, the Tribal Council shall assume its responsibilities.
- (ii)** The Audit Committee shall provide oversight for evaluating management's assessments of fraud risk, assessing the effectiveness of internal controls, implementing antifraud measures, reviewing policies and procedures and recommending them for approval by the tribal council, and creating an appropriate "tone at the top."
- (iii)** An annual audit will be completed by an independent certified public accountant within nine months of the fiscal year end. No independent auditor will work for the Tribe for more than three (3) consecutive years.
- (iv)** The selection of an auditor shall be approved by the Audit Committee.
- (v)** All program audits or regulatory communications shall be presented to the Audit Committee.
- (vi)** The financial statement audit shall be presented to the Audit Committee for approval.
- (vii)** Management shall prepare a plan of corrective action for any findings or management letter comments disclosed in an audit.
- (viii)** Management shall provide the audited financial statements to regulatory agencies as required.

SECTION XV
TRIBAL TANF

(A) GENERAL.

In this section, the Tribe describes the control objectives and activities for Tribal TANF disbursement and program documentation.

1. Control Objective.

To ensure the Tribe's Tribal TANF Program operates efficiently and in accordance with Federal, State and Tribal laws, regulations, and program guidance.

2. Reason for Controls.

Federal and State TANF agencies have various financial requirements for grant recipients and the Tribe is committed to ensuring quality in its Tribal TANF Financial and Case Load reporting and documenting services provided to participants within the approved Tribal TANF service areas.

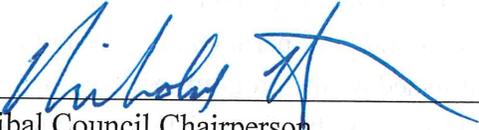
3. Control Activities.

- (i)** Only eligible individuals and families may receive services as defined in the Tribe's approved program plan.
- (ii)** All services being offered and provided must be in accordance with the Tribe's approved program plan and within budgetary constraints.
- (iii)** TANF participants must meet financial eligibility criteria to receive Assistance services as defined by the Tribe's approved program plan.
- (iv)** TANF participants must qualify for Non-assistance services as defined by the Tribe's approved program plan.
- (v)** Monthly Cash Assistance payments will be processed in a manner that allows for the participants to receive such assistance on the 1st day of each month in which they are eligible. If the 1st of the month falls on a weekend or holiday, the cash assistance payments will be processed as to ensure the participant will receive such assistance the previous business day.
- (vi)** The first month, in which a participant becomes eligible for assistance services, they will receive a paper check. Each month thereafter, all assistance will be made to the participant via electronic distribution utilizing the Tribe's prepaid EBT cards. No other prepaid card or other means of electronic funds transfer will be allowed.

- (vii) By the 20th day of each month, each Tribal TANF site will forward to the Finance Department an approved list of all participants who are eligible to receive a cash assistance payment for the following month. The list must include: the name and address of the recipient, the case number and the award amount. Each list must be signed by the Family Advocate III and TANF Executive Director authorizing such assistance. The TANF sites must also include the prepaid card application for all new participants.
- (viii) The Tribe will process all assistance payments received by the 20th day of the month by the 1st of the following month. All participants who fail to meet the eligibility deadline as established by the program policies and procedures that are later determined to be eligible for assistance services will be processed by the 10th day of the following month.
- (vix) Supportive service payments will be processed on a weekly basis. All supportive services payment requests received by Tuesday at 12:00 PM will be processed and ready for pick up Thursday at 10:00 AM.
- (x) “Emergency” service payment requests will be processed on the same day the request is submitted to the Finance Office. All “emergency” service payment requests must be documented as to the reason of the request.
- (xi) All Tribal TANF activities and/or programs must be documented as to how they meet one of the four purposes of TANF as described in 45 CFR 286 prior to any funds being allocated to the activity and/or program(s). Documentation of the activities and/or programs is subject to approval by the Tribal Chairperson and the Finance Director. Any activity and/or program that may be “questionable” but deemed necessary by the Tribal Administrator and Finance Director must be approved by the Tribal Council.
- (xii) Approved Tribal TANF activities and/or programs must be reconciled within 10 days of the completion of the activity and/or program. The reconciliation will be forwarded to the Finance Office for final review and close out. No site will be allowed to have more than three (3) un-reconciled activities and/or programs at any given time.
- (xiii) Each Tribal TANF activity and/or program must be assigned a “responsible employee.” All receipts and documentation are the responsibility of the “responsible employee.” The “responsible employee” and TANF Executive Director are liable for all funds.

SECTION XVI
CERTIFICATION

As a duly-elected official of the Shingle Springs Band of Miwok Indians, I do hereby certify that, at a meeting duly called, noticed, and convened on the 11th day of February 2016 at which time a quorum of 7 was present, this Policy was duly adopted by a vote of 7 FOR, 0 AGAINST, 0 ABSTAINED, and said Policy has not been rescinded or amended in any form.



Tribal Council Chairperson

2-11-2016

Date

ATTEST:



Tribal Council Secretary

2-11-2016

Date