

NMSWMD ACCOUNTING PRINCIPLES & INTERNAL CONTROLS

The Financial Management System of the NMSWMD will meet the following standards:

1. **Financial Reporting:** Accurate, current, and complete disclosure of financial results of financially assisted activities must be made in accordance with the financial reporting requirements of the agreement between MoDNR and the NMSWMD;
2. **Accounting Records:** Financial records must be adequately maintained to identify the source and application of funds provided for financially assisted activities. These records must contain information pertaining to agreement awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays or expenditures, and income;
3. **Internal Controls:** Effective control and accountability must be maintained for all recipient cash, real and personal property, and other assets. Recipients must adequately safeguard all such property and must assure that it is used solely for authorized purposes;
4. **Budget Control:** Actual expenditures or outlays must be compared with budgeted amounts for each agreement;
5. **Allowable Costs:** Applicable OMB cost principles, federal agency program regulations, and the agreement scope of work will be followed in determining the reasonableness, allowability, and allocability of costs;
6. **Source Documentation:** Accounting records must be supported by such source documentation as cancelled checks, paid bills, payrolls, time and attendance records, contract, and agreement award documents;

Procedures for Deposits: Receipts arriving by mail are recorded on a cash receipts ledger by the Receptionist. Each check is identified as to the payer, date, amount, and check number. Checks are then given to the Fiscal Assistant who makes copies of each check, prepares the bank deposit, and takes or mails the deposit to the bank. A voucher, copy of the check, and deposit slip are given to the NMSWMD Planner who will then record the transaction in the NMSWMD accounting system.

Bank Reconciliation: Within five working days of the receipt of bank statements the Administrative Assistant to the NMSWMD will reconcile the bank account to the bank statement. Accounts are promptly reconciled and will involve the following:

1. An examination of paid checks for date, name, cancellation, and endorsements
2. Arranging of canceled checks in numerical order, accounting for all voided checks.

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3. Preparing a list of outstanding checks, including those from prior months.
4. Preparing a list of deposits in transit.
5. Accounting for bank charges or interest earned per bank statement.
6. Preparing a reconciliation of the balance per check book with the balance per bank.
7. Adjusting and correcting entries are prepared for entry to the accounting system.
8. Canceled checks, if received, will be filed in numerical sequence and bank statements are filed chronologically by bank account.
9. Reconciliations will be reviewed and initialed by the Executive Director and District Planner.

At the end of each month, the NMSWMD General Ledger Cash Accounts are reconciled to the balances shown by the Bank Reconciliation procedure.

Disbursements: All disbursements will be made by check and will only be made on the basis of a certified voucher or check request. Invoices will be presented to the NMSWMD Planner who will prepare a check for payment. The check will be attached to the invoice and submitted to two authorized signatories of the District who shall signify their approval for payment by initialing the invoice and signing the attached check. The Planner will then make copies of the check and invoice and present the original check and invoice to the receptionist for mailing.

District bank signature cards at the NMSWMD depository bank will be updated when a change occurs concerning the Districts authorized signatories within 5 business days of the occurrence.

Financial Reporting: A check register reflecting all expenses and income of the NMSWMD will be provided to each member of the NMSWMD upon request, and at all meetings of the Board. In addition, the Board will be provided a financial status report upon request, and at meetings of the NMSWMD.

Retention and Custodial Requirements for Records: Financial records, supporting documents, and other pertinent agreement records shall be retained for a period of three years starting from the date of submission of the final financial status report. Authorized representatives of Federal Awarding Agencies, the Comptroller General of the United States, and the MoDNR shall have access to any pertinent books, documents, and records of recipients to make audits or examinations. The recipient will further agree to permit monitoring by the MoDNR and/or authorized representative.

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If any litigation claim, negotiation, audit or other action involving the records has been started before the expiration of the 3-year period, the records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the regular 3-year period, whichever is later.

Conflict of Interest: No party to this policy manual and no District officer, agent, or employee of Green Hills Regional Planning and/or the North Missouri Solid Waste Management District who exercises any functions or responsibilities in the review or approval of the performance of this agreement shall participate in any decision relating to this agreement which would affect their personal or pecuniary interest, directly or indirectly.

No state employee shall perform any service for consideration paid by the recipient during one year after termination of the employee's state employment in which the former state employee attempts to influence a decision of the MoDNR or in the relation to any case, decision, proceeding or application with respect to which the former employee personally participated during the period of state employment.

Recycled Paper: The North Missouri Solid Waste Management District will use recycled paper consisting of at least 30% post consumer waste for all reports and materials which are prepared as part of this grant award and delivered to the MoDNR or otherwise distributed as part of this grant. If paper containing 30% post consumer material is not reasonably available, does not meet reasonable performance requirements, or is only available at an unreasonable price, then the District shall use paper containing no less than 20% post consumer material. The chasing arrows symbol representing the content of the paper will be clearly displayed on at least one page of any materials provided to any and all parties other than MoDNR. This requirement applies even if the cost of recycled paper is higher than that of virgin paper.

Adopted – August 23, 2007, NMSWMD Board of Directors meeting

