# Croghan Volunteer Fire Department

PO Box 405

Croghan, NY 13327



“Proud to Serve”

Financial /Treasurer Best Practices

In order to protect both the Croghan Volunteer Fire Department and its officers, specifically the Treasurer and Assistant Treasurer, the following general accounting best practices are used by the department. The Treasurer and Assistant will work together and share responsibilities to allow for a better system of checks and balances.

Oversight:

Although the Treasurers are charged with receiving and depositing funds and the paying of bills, general oversight of the department finances and procedures are the responsibility of the Executive Board of the Croghan Fire Department. Additionally, the Trustees of the Village of Croghan, serving as the governing body of the department, shall have access to records as deemed necessary.

The financial books are reviewed annually or whenever there is a change in Treasurer position by an outside independentperson familiar with general accounting practices.

Annually, with the assistance of an outside accounting firm, the department will submit IRS Form 990 to the federal government in accordance with requirements.

Training:

The Croghan Volunteer Fire Department will strive to have its Treasurers and Executive Board members trained in managing finances. Minimally, these officers will be required to complete an online course in “Preventing Theft in Your Organization” or an equivalent program.

Record Keeping and Backup

Allrecord keeping of the Croghan Volunteer Fire Department financial transactions will be maintained using Quickbooks software program. A backup to an external device such as a thumb drive will be done monthly. Also, a paper copy of monthly expenses and income will be provided to the department secretary to be filed.

Copies of invoices and paid bills shall be filed and saved for a minimum of 7 seven years in accordance with general accounting practices.

Accounts

Checking/Savings- For regular income and expenditures

These accounts shall be subdivided into 3 separate subaccounts.

Fire- holds fire contract dollars only

Ambulance-holds ambulance contract dollars only

Donation.-holds all other noncontract funds.

Capital Gains (Money Markets)- For Capital gains savings towards future major purchases. Annually, 20% of received contract dollars shall be rolled into the capital gains account. Additionally, any extra funds remaining from the previous fiscal year shall also be rolled into capital gains savings, keeping a $20,000 buffer in checking/savings for emergency or unforeseen expenditures.

Income

All cash received will be counted with minimally two department members (not related) present. All moneys received shall be deposited in a timely fashion.

Paying Bills

All bills received by the department will be reviewed by (an) appointed member(s) of the Executive Board prior to being read in at the monthly meeting.

Signatures Cards will be provided annually to the bank listing authorized signatures for check signing.

In general, only after bills have been read in at the meeting and approved for payment by the general membership, shall the treasurer or assistant distribute checks. All checks shall be co signed by either the Treasurer or Assistant AND the President or Vice- President. Under no circumstances shall a check be signed by members of the same family. On occasion, a prior approved bill may be paid with authorization from the Department President.

While most bills will be paid with hand signed checks, the department will allow certain utilities to be paid automatically bythe bank. Special care will be taken to monitor and record these transactions.

The department President and Chief have the authority to make single purchases up to one hundred dollars without prior approval of the department pending later notification of the general membership.