

Policy and Bylaws Committee Meeting

Open to the Public

Wednesday, June 21, 2023 at 9:00am

1000 College Blvd., Building 11

Pensacola, FL 32504



Agenda

- I. Call to Order**
- II. Approval of Agenda**
- III. Approval of Minutes** from the December 5, 2022 Policy Committee Meeting
- IV. Discussion Items**
 - Cone of Silence
 - Emergency Funding
 - Clarification on Construction / Renovation / Purchase of Real Property
 - No Approval Needed for Financial Statements at Board Meetings
 - Bid Cycles (3yr./5yr.with Annual Review)
 - Remove "Accounting Firm"
- V. New Business**
 - Increase Credit Card Limit
 - Committee Meetings via Zoom
 - Vehicle Purchases
- VI. Public Comment***
- VII. Adjournment**

** The Escambia Children's Trust welcomes comments from the public. Those who wish to address the Board may do so at this time. Those addressing the Board should complete a Public Comment Form prior to speaking and should state their full name and affiliation for the official record. In the interest of time, we ask that one person be designated to speak on behalf of a constituency and that all comments are limited to three (3) minutes. Thank you.*

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RESOLUTION 2023-_____

WHEREAS, the ECT Board finds that the Escambia Children’s Trust Policy Manual requires amendment from time to time to accurately reflect the policy of the Trust; and

WHEREAS, a correction to the policy manual serves a compelling public purpose.

NOW, THEREFORE, BE IT RESOLVED BY THE ESCAMBIA CHILDREN’S TRUST OF ESCAMBIA COUNTY, FLORIDA:

Section 1: Recitals. The foregoing recitals are true and correct and incorporated herein by reference.

Section 2. Amendment. Escambia Children’s Trust Policy Manual Part One, General Administration, Section II, Conflict of Interest and Code of Ethics Policy, Subsection 6.0, Cone of Silence is hereby amended as follows (words underlined are additions and words ~~stricken~~ are deletions):

~~6.0~~ Cone of Silence

~~6.1~~ The Cone of Silence is a prohibition on certain communications between certain persons during a competitive solicitation process.

~~6.2~~ Applicability.

The Cone of Silence shall apply to all Requests for Proposals (RFP), Requests for Qualifications (RFQ), Invitations to Negotiate (ITN), Requests for Information (RFI), bids or any other competitive solicitation process (hereafter collectively referred to as “competitive solicitation”) that are issued by The Children’s Trust.

~~6.3~~ Commencement/Termination.

The Cone of Silence shall begin at the time of advertisement of the competitive solicitation and shall end when the Executive Director makes his or her written recommendation to the Board. However, if the Trust Board refers the recommendation back to the Executive Director for further review, the Cone of Silence is reimposed until such time as the Executive Director makes a subsequent written recommendation.

~~6.4~~ Notification.

~~Public Notice.~~ At the time the Cone of Silence is imposed, the Executive Director shall provide for public notice of the Cone of Silence by placing such notice in any advertisements for the particular competitive solicitation and by posting such notification on the Trust webpage.

1 ~~Public Solicitations. The Executive Director shall include a statement in any public~~
2 ~~solicitation, informing potential bidders or applicants of the requirements of the Cone of~~
3 ~~Silence.~~

4
5 ~~Board members and staff members. At least five (5) working days prior to the imposition~~
6 ~~of the Cone of Silence, the Executive Director shall inform all board members and staff in~~
7 ~~writing or by electronic notice that the Cone of Silence is about to be imposed for a~~
8 ~~particular solicitation process. In addition, the Executive Director shall advise all Board~~
9 ~~members and staff when the Cone of Silence has been lifted.~~

10
11 **6.5 Restricted Communications.**
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13 ~~Once the Cone of Silence is imposed, the following persons may not communicate with~~
14 ~~one another with regard to a particular competitive solicitation.~~

15
16 ~~a. Potential bidders, vendors, service providers, lobbyists and consultants cannot~~
17 ~~communicate with: a) The Trust's professional staff, the Executive Director and his/her staff; b)~~
18 ~~Trust board members; and c) review committee members.~~

19 ~~b. The Trust board members cannot communicate with: a) potential bidders, vendors,~~
20 ~~service providers, lobbyists and consultants; b) professional staff, the Executive~~
21 ~~Director and his/her staff; and c) review committee members.~~

22
23 ~~c. Professional staff, the Executive Director and his/her staff cannot communicate with:~~
24 ~~a) potential bidders, vendors, service providers, lobbyists and consultants; b) Trust~~
25 ~~board members; and c) review committee members.~~

26
27 ~~d. Review committee members cannot communicate with: potential bidders, vendors,~~
28 ~~service providers, lobbyists and consultants; professional staff, the Executive Director~~
29 ~~and his/her staff; and Trust board members.~~

30
31 ~~e. Exception. If a Board member declares in writing that he or she shall not participate~~
32 ~~in the review of the applications submitted in response to the competitive solicitation~~
33 ~~and shall abstain from voting on the applications when they come before the Board~~
34 ~~for approval, then the Board member shall be able to communicate with the following~~
35 ~~persons/entities, and these persons/entities shall be able to communicate with the~~
36 ~~Board member: potential bidders, vendors, service providers, lobbyists and~~
37 ~~consultants. The Board member must submit his/her written declaration to the Clerk~~
38 ~~of the Board of the Trust prior to the imposition of the Cone of Silence.~~

39
40 ~~f. If a person begins to communicate about a competitive solicitation with another~~
41 ~~person with whom communication is prohibited, that second person is not in~~
42 ~~violation of the Cone of Silence if he/she advises that the Cone of Silence is in effect~~
43 ~~and terminates the conversation.~~
44

1 **6.6 Allowable Communications.**
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3 ~~Communications in writing at any time with any Trust employee, official or member of the~~
4 ~~Trust unless specifically prohibited by the applicable solicitation process. The author of the~~
5 ~~written communication must file a copy of the written communication with the Clerk of the~~
6 ~~Board of the Trust.~~

- 7 ~~a. Communications between any person and the procurement agent or contracting~~
8 ~~officer (or their designated secretarial/clerical staff) responsible for administering the~~
9 ~~procurement process for such competitive solicitation, provided such~~
10 ~~communication is limited to matters of process or procedure already contained in~~
11 ~~the corresponding solicitation document.~~
- 12 ~~b. Communications between procurement agent or contracting officer (or their~~
13 ~~designated secretarial/clerical staff) and a member of the review committee provided such~~
14 ~~communication is limited to matters of process and procedure already contained in the~~
15 ~~corresponding solicitation document.~~
- 16
- 17 ~~c. Duly noticed site visits.~~
- 18
- 19 ~~d. Oral communications at pre bid conference.~~
- 20
- 21 ~~e. Oral communications requested by review committees.~~
- 22
- 23 ~~f. Contract negotiations during any duly noticed public meetings.~~
- 24
- 25 ~~g. Public presentations made to the Trust Board.~~
- 26
- 27 ~~h. Emergency procurement of goods or services.~~
- 28

29 **6.7 Consequences.**
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31 ~~Violation of the Cone of Silence could result in one or more of the following:~~
32

- 33 ~~a) Investigation by Commission on Ethics. Anyone who violates the Cone of Silence~~
34 ~~could be investigated by the Commission on Ethics and Public Trust and be subject~~
35 ~~to: an admonition or public reprimand and a fine of \$250 for one violation and \$500~~
36 ~~for each subsequent violation.~~
- 37
- 38 ~~b) Disciplinary Action for Staff. Staff can be disciplined up to and including dismissal.~~
- 39
- 40 ~~c) Prohibition from serving on future review committees.~~
- 41
- 42 ~~d) Prohibition on lobbying by lobbyist~~
- 43
- 44 ~~e) Voiding of award or contract to bidder or proposer.~~

1
2 f) ~~Debarring the bidder or proposer from entering into future contracts with the Trust.~~

3
4 **~~6.8 Duty to report.~~**

5
6 ~~Any person who has personal knowledge of a violation of the Code of Silence must file~~
7 ~~a complaint with the Commission on Ethics.~~

8
9 6.0 Limitations on Communication - Policy for Procurement in Local Government

10
11 6.1 Policy Statement: This "Limitations on Communication" policy establishes
12 guidelines and restrictions on communication during the procurement process. The
13 policy aims to promote fairness, transparency, and integrity by preventing potential
14 conflicts of interest, undue influence, and favoritism in procurement activities.

15
16 6.2 Scope: This policy applies to all employees, officials, contractors, vendors, and
17 individuals involved in the procurement process. It encompasses all stages of
18 procurement, including solicitation, evaluation, contract award, and post-award
19 activities.

20
21 6.3 Policy Guidelines:

22
23 A. Communication Restrictions:

24
25 1. Once a solicitation has been issued, all communication regarding the procurement
26 should be directed solely to the designated procurement officials or their authorized
27 representatives.

28
29 2. All communication related to the procurement, including inquiries, clarification
30 requests, and any additional information, must be submitted in writing to the
31 designated procurement contact.

32
33 3. During the evaluation and selection process, all communication regarding the
34 procurement must be limited to the designated procurement officials or their
35 authorized representatives. Communication with other stakeholders involved in the
36 process, such as evaluators, selection committee members, or members of the Board
37 of Directors is strictly prohibited.

38
39 4. Verbal or written communication with potential bidders, proposers, or their
40 representatives, including lobbying, lobbying attempts, or attempts to influence the
41 procurement process, is strictly prohibited once the solicitation has been issued.

42
43 5. Exceptions to communication restrictions may be granted in writing by the
44 designated procurement officials for necessary and legitimate reasons, ensuring

1 fairness and equal opportunity for all participants.

2
3 B. Documentation and Record-Keeping:

4
5 1. All communication, including written inquiries, responses, and any other related
6 documents, must be appropriately documented, time-stamped, and maintained as
7 part of the official procurement file.

8
9 2. Official records of communication must be made available for review and
10 inspection by authorized personnel and auditors.

11
12 C. Training and Awareness:

13
14 1. All employees involved in the procurement process shall receive training on the
15 limitations and requirements of this policy.

16
17 2. Vendors and contractors participating in procurement activities shall be made
18 aware of this policy and their obligation to comply with its provisions.

19
20 D. Violations and Consequences:

21
22 1. Any violation of this policy may result in disqualification from the procurement
23 process, termination of contracts, or other appropriate disciplinary actions in
24 accordance with applicable laws, regulations, and policies.

25
26 2. Any suspected violations should be promptly reported to the designated ethics or
27 procurement officials for investigation and appropriate action.

28
29 3. Any violation must be publicly disclosed prior to any action on the solicitation.

30
31 E. Review and Compliance:

32
33 This policy shall be regularly reviewed, updated, and communicated to all relevant
34 parties involved in the procurement process. Compliance with this policy is mandatory,
35 and failure to adhere to its provisions may result in disciplinary actions, as outlined in
36 the policies and procedures.

37
38 **Section 3. Amendment.** Escambia Children’s Trust Policy Manual Part Two, Funding of
39 Community Organizations, Section II, Policies Pertaining to the Award of Funding to
40 Community Organizations, Subsection 2.1, Competitive Funding to Community
41 Organizations, Paragraph B, Request for Proposal (RFP) is hereby amended as follows
42 (words underlined are additions and words ~~stricken~~ are deletions):

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44 **B. Request for Proposal (RFP).**

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1. Conditions for use. When the Trust determines that the use of competitive sealed bidding is either not practicable or not advantageous to the Trust, a contract for materials, supplies, services, construction, and equipment may be entered into by the use of competitive proposals. Except as otherwise stated in this policy, contracts for Direct Community Services shall be entered into in response to a Request for Proposals. Determination to use the RFP process include, but are not limited to, whether the following considerations apply:
 - a. Practicality of a fixed-price or cost contract under the circumstances.
 - b. The quality, availability, or capability is overriding in relation to price in procurement of goods or services.
 - c. The need for initial installation to be evaluated, together with subsequent maintenance and service capabilities and what priority should be given these requirements in terms of the best interest of the community.
 - d. The marketplace will respond more favorably to a solicitation not only permitting a range of alternate proposals, but also permitting evaluation and discussion by the Trust with proposers before making the award.
 - e. A performance specification is deemed more appropriate than a technical specification, thus taking advantage of vendor expertise and allowing the purchase of standard items available in the marketplace as opposed to custom designed.
 2. Solicitation. Proposals shall be solicited through a request for proposals (RFP).
 3. Release of Solicitation. For every competitive RFP, the Trust Board shall approve the minimum qualifications, the scope of services, the evaluation criteria, and the evaluation team for each competitive procurement opportunity. The Executive Director or their designee will notify, via email, all Board members of the release of the solicitation and of the imposition of the ~~Cone of Silence~~/Limitations on Communications.
 4. Public notice. Adequate public notice of the request for proposals and any addenda shall be given in the same manner as provided for competitive Invitations to Bid (ITBs).

36 **Section 4. Amendment.** Escambia Children’s Trust Policy Manual Part Four, Procurement,
37 Section 1.1 Code of Conduct is hereby amended as follows (words underlined are additions and
38 words ~~stricken~~ are deletions):

39 **1.1 Code of Conduct**

40
41 In an effort to fulfill ECT’s fiduciary responsibility to the taxpayers of Escambia County, all
42 interaction with vendors and contractors shall be handled in an ethical manner. ECT staff will:

- 1
- 2 A. Afford equal opportunity to all qualified suppliers in the competition for business.
- 3 B. Promote positive supplier relations through professional courtesy and good faith
- 4 dealing in all phases of the procurement cycle.
- 5 C. Respect the supplier's proprietary information/property from an ethical standpoint, in
- 6 addition to potential legal ramifications, subject to the requirements of Chapter 119,
- 7 Florida Statutes.
- 8 D. Enhance ECT's purchasing and overall business reputation by acquiring and
- 9 maintaining current market knowledge and adopting and applying sound business
- 10 practices at a professional level.
- 11 E. Avoid any behavior that may be perceived as unethical or compromising in the award
- 12 of business. Purchasing standards at ECT prohibit the acceptance of gifts, personal
- 13 discounts, entertainment, favors, personal services, participation in supplier
- 14 sponsored promotions/contests, or any other activity that could be perceived to
- 15 compromise the integrity of ECT's purchasing.
- 16 F. Refrain from any private business or professional activity that would create a conflict
- 17 between personal interests and the interests of ECT. However, when certain
- 18 affiliations cannot be avoided, the employee shall disclose the relationship to his/her
- 19 supervisor and recuse himself/herself from the decision-making process.
- 20 G. Adhere to the ~~Cone of Silence~~ Limitations on Communications requirement
- 21
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23 **Section 5. Amendment.** Escambia Children's Trust Policy Manual Part Four, Procurement, Section
24 1.2 Doing Business with Escambia Children's Trust is hereby amended as follows (words underlined
25 are additions and words ~~stricken~~ are deletions):

26

27 **1.2 Doing Business with Escambia Children's Trust**

28

- 29 A. ECT's conflict of interest policy prohibits staff from accepting gifts, gratuities, or other
- 30 favors from vendors/contractors.
- 31 B. ECT allows the use of and acceptance of "electronic signatures," as defined in Chapter
- 32 668.50, Florida Statutes for agreements or any modification to agreements.
- 33 C. ECT's procurement process provides equal opportunity to all participants, and bids are
- 34 awarded based on best service and maximum value offered. Vendors/contractors will
- 35 be notified of awards by the designated ECT bid coordinator.
- 36 D. ECT may conduct vendor/contractor performance review for vendors/contractors
- 37 holding long-term contracts with ECT.
- 38 E. Any questions or concerns related to the procurement process or vendor performance
- 39 should be directed to ECT's Executive Director.
- 40 F. In accordance with the ~~Cone of Silence~~ Limitations on Communications, proposers are
- 41 prohibited from contacting ECT personnel or Board members other than the person
- 42 identified in the bid document regarding the solicitation. If not designated, the
- 43 proposer/vendor should contact the Executive Director or ECT General Counsel. Any

1 occurrence of a violation may result in the disqualification of the proposer/vendor.
2 During the open bid period, proposers must not submit any forms of marketing or
3 promotional materials that would raise the proposer/vendor’s profile or give the
4 proposer/vendor an advantage or benefit not enjoyed by other prospective
5 proposers/vendors.

6 G. Non-profit agencies providing programmatic services must comply with the following
7 ECT Nepotism Policy:

8
9 “No individual shall be employed, serve as a member of the Board of Directors, or be
10 hired as a consultant, vendor or contractor by any agency, with respect to any Escambia
11 Children’s Trust funded program, which will (i) result in the existence of a subordinate-
12 superior relationship between such individual and any family member of such through
13 a direct line of authority or (ii) result in multiple family members serving as members
14 of the Board of Directors.”

15 H. The Executive Director or other person authorized to bind the organization will present
16 certification of compliance to ECT as part of all competitive solicitations. Funded
17 agencies must continue to be in compliance throughout the course of the Contract.

18
19 **Section 6. Severability.** If any section, subsection, paragraph, sentence, clause, phrase, or
20 portion of this Policy is for any reason found void, invalid, unlawful, or unconstitutional by any
21 court of competent jurisdiction, such portion shall be deemed a separate, distinct, independent,
22 and severable provision such holding shall not affect the validity of the remaining portions of
23 this Policy.

24
25 **Section 7. Inclusion in the Policy Manual.** It is the intention of the Escambia Children’s Trust
26 that the provisions of this Policy shall become and be made a part of the Escambia Children’s
27 Trust Policy Manual; and that the sections of this Policy may be renumbered or re-lettered in
28 order to accomplish such intentions.

29
30 **Section 8. Effective Date.** This Policy shall become effective upon the date approval is granted
31 by the Escambia Children’s Trust.

32 DONE AND ENACTED this _____ day of _____, 2023.

33
34 By: _____

35 Tori Woods, Chairperson
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RESOLUTION 2023-_____

WHEREAS, the ECT Board finds that the Escambia Children’s Trust Policy Manual requires amendment from time to time to accurately reflect the policy of the Trust; and

WHEREAS, a correction to the policy manual serves a compelling public purpose.

NOW, THEREFORE, BE IT RESOLVED BY THE ESCAMBIA CHILDREN’S TRUST OF ESCAMBIA COUNTY, FLORIDA:

Section 1: Recitals. The foregoing recitals are true and correct and incorporated herein by reference.

Section 2. Amendment. Escambia Children’s Trust Policy Manual Part Three, Fiscal Operations, Section 4, Policies, Subsection H, Disbursements and Procurement is hereby amended as follows (words underlined are additions and words ~~stricken~~ are deletions):

H. DISBURSEMENTS & PROCUREMENT

1. POLICY:

Approval Limits:

- **Director-level Staff** – budgeted expenditures up to \$500
- **Executive Director** – expenditures, budgeted up to \$50,000 and unbudgeted, up to \$100.
- **Board of Directors or designated committee** – expenditures, budgeted in excess of \$50,000 and unbudgeted in excess of \$100.

In addition, the Board must approve any expenditures that will cause annual expenses to exceed the approved budget line item by more than 10%.

ECT requires that:

- All checks are pre-numbered and used in numerical sequence;
- Approval is documented in writing or electronically;
- All checks are made payable to a specific payee;
- Adequate documentation is received prior to payment;
- Pursuant to Sec. 215.85, Florida Statutes (2021), disbursements may be made by check, direct deposit, electronic, telephone, or other manner of payment. However, all disbursements must comply with the two-signature requirement of Sec. 125.901, Florida Statutes (2021);

- All disbursements require authorization by signature of the ECT Chair and a second signature of either the other designated ECT member or the Executive Director. Pursuant to Sec. 668.004, Florida Statutes (2021), an electronic signature may be used to sign a writing and shall have the same force and effect as a written signature ;
- All disbursements must be supported by an invoice or other appropriate documentation;
- All checks are signed by the Chair and countersigned by one other member of the ECT or the Executive Director;
- Every effort is made to pay vendors by the due date;
- All disbursements are properly accounted for in QuickBooks;
- New entries are reviewed to prevent duplication of previous entry of expenses or disbursements;
- Void and stale checks must be mutilated, maintained in numerical order and identified in the accounting records as void; and
- Blank check stock is maintained in a locked area at all times.

In addition, ECT will:

- Take steps to ensure that the most reasonable price for aggregate purchases under \$50,000 is obtained.
- Make a good faith effort to obtain at least three price or rate quotes for purchases of goods and services in excess of \$5,000. Documentation of price and rate quotes must be maintained and filed with the final expenditure documentation. Quotes may be obtained from a variety of simple sources, e.g., internet search, vendor price listing, verbal quotes, etc. If a vendor is not selected based on the lowest price, the reason for the selection will be appropriately documented.
- Ensure that sole-source procurements are approved in advance, if applicable.
- Make all purchases in accordance with legal and contractual requirements.
- Open to bid all ongoing contractual services both initially and on a three- or five-year cycle, subject to an annual review by the Board, depending on the needs of the organization.
- Require use of the sales tax exemption certificate when use of the certificate is practical

and feasible. The use of ECT sales tax exemption certificate for personal purchases is prohibited.

- Allow the use of agency credit cards or credit accounts in situations where regular, recurring purchases are made from vendors that would require the use of a check or petty cash or when in the interest of time, the use of a credit card is necessary. As the use of an agency credit account is for convenience only, the accounts will be reconciled and paid in full upon receipt of the statement to avoid interest costs. Use of agency credit accounts requires the same approval processes as other purchases or cash disbursements. Use of agency credit accounts for personal purchases is prohibited.

Section 3. Severability. If any section, subsection, paragraph, sentence, clause, phrase, or portion of this Policy is for any reason found void, invalid, unlawful, or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, independent, and severable provision such holding shall not affect the validity of the remaining portions of this Policy.

Section 4. Inclusion in the Policy Manual. It is the intention of the Escambia Children’s Trust that the provisions of this Policy shall become and be made a part of the Escambia Children’s Trust Policy Manual; and that the sections of this Policy may be renumbered or re-lettered in order to accomplish such intentions.

Section 5. Effective Date. This Policy shall become effective upon the date approval is granted by the Escambia Children’s Trust.

DONE AND ENACTED this _____ day of _____, 2023.

By: _____
Tori Woods, Chairperson

1 **RESOLUTION 2023-_____**

2 **WHEREAS**, the ECT Board finds that the Escambia Children’s Trust Policy Manual requires
3 amendment from time to time to accurately reflect the policy of the Trust; and

4 **WHEREAS**, a correction to the policy manual serves a compelling public purpose.

5 **NOW, THEREFORE, BE IT RESOLVED BY THE ESCAMBIA CHILDREN’S TRUST OF ESCAMBIA**
6 **COUNTY, FLORIDA:**

7 **Section 1: Recitals.** The foregoing recitals are true and correct and incorporated herein by reference.

8 **Section 2. Amendment.** Escambia Children’s Trust Policy Manual Part Three, Fiscal Operations is hereby
9 amended as follows (words underlined are additions and words ~~stricken~~ are deletions):

10
11 **PART THREE: FISCAL OPERATIONS**

12
13 **1.0 PURPOSE**

14 As a governmental organization, Escambia Children’s Trust (ECT) is committed to protecting and
15 using its assets and resources in support of its mission. In accordance with generally accepted
16 accounting principles (GAAP) for local governments and standards of the Governmental Accounting
17 Standards Board (GASB), ECT financial policies and practices are designed to:

- 18 1. Prevent the misuse of assets;
- 19 2. Reduce the risk of financial statement misstatements;
- 20 3. Deter fraud;
- 21 4. Ensure compliance with regulatory requirements;
- 22 5. Ensure effective and efficient operations; and
- 23 6. Ensure that ECT maintains a reputation as a responsible steward of public funds.

24
25 **2.0 SEGREGATION OF ROLES**

26 The organization’s financial duties are distributed among multiple individuals to help protect against
27 fraud and error. The distribution of duties aims for maximum protection of the organization’s assets
28 while also considering efficiency of operations.

29
30 ***A. Financial Responsibilities of the Board of Directors or Designated Committee***

31 Reviews:

- 32 • Executive Director expenditures (quarterly review by the Board Treasurer)

34
35 Reviews & Approves:

- 36 • Periodic financial reports
- 37 • Annual budget

- 1 • Budgeted expenditures \geq \$50,000
- 2 • Unbudgeted expenditures \geq \$100 petty cash
- 3 • Executive Director pay increases
- 4 • New positions (unbudgeted)
- 5 • Financial policies
- 6 • Annual audit
- 7 • Opening of new bank accounts
- 8 • Insurance coverage
- 9 • Leases
- 10 • All transfers from ECT bank accounts
- 11
- 12

13 Signing Authority:

- 14 • All checks (NOTE: two signatures are required from a combination of the Executive
- 15 Director, Board Chair, or Board Treasurer)

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17 ***B. Financial Responsibilities of the Executive Director***

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19 Prepares and Processes:

- 20 • Annual budget, with input from staff and Board Budget Committee
- 21 • Budget amendments/adjustments, in collaboration with Finance and Program
- 22 Directors
- 23 • Approved bank transfers
- 24 • Check requests for payments of invoices
- 25

26 Reviews & Approves:

- 27 • All financial reports
- 28 • Payroll
- 29 • Budgeted Expenditures < \$50,000
- 30 • Unbudgeted Expenditures < \$100 petty cash
- 31 • New hires (budgeted)
- 32 • Staff salary increases
- 33 • Bank reconciliations
- 34 • Contracts for goods and/or services with a value of up to \$5,000
- 35 • Financial procedures (changes to *policy* require Board approval)
- 36

37 Signing Authority:

- 38 • Checks < \$50,000 (also require Board member signature)

- Board approved contracts

C. Financial Responsibilities of the ~~Contracted Accounting Firm~~ Finance Director

Prepares and Processes:

- Set up of annual budget in ~~QuickBooks Online Plus~~ MIP (maintained by the ~~Accounting Firm~~ Finance Director)
- Monthly financial statements (i.e., Management Reports)
- Adjusting journal entries
- Payroll bi-weekly entries and deductions; quarterly compliance filings; and annual reporting
- Credit card capture and processing
- Electronic payments/accounts payable
- Annual compilation of data for, and subsequent review of, audited financial statements prepared by external auditor/CPA firm
- W-9s for new vendors
- 1099s

Reviews:

- All vouchers, invoices, and expense report forms
- Payroll

Reviews & Approves

- All financial reports
- Balance sheet reconciliations

Signing Authority:

- None

D. Financial Responsibilities of the Finance Director

Prepares and processes:

- Annual budget, in coordination with the Executive Director and Budget Committee of the Board
- Cash flow projections
- Bank reconciliations within 30 days following the end of the month
- Balance sheet reconciliations
- Deposit log
- Invoices and vouchers for payment
- Recurring monthly expenditures
- Annual agency insurance renewals in collaboration with Executive Director and Board

Treasurer

- Updates to financial policies & procedures as needed
- Maintenance of inventory of all agency assets

Reviews & Approves:

- Routine, recurring expenditures
- Employee mileage and expense reimbursements
- Invoices and requests for reimbursement from funded agencies or subcontractors

Signing Authority:

- None

E. Financial Responsibilities of Program Director

Prepares and processes:

- Requests for payments of funded agency reimbursements

Reviews & Approves

- None

Signing Authority:

- None

3.0 APPROVAL

Changes to *policy* require approval by the Board of Directors. The *procedures* required to carry out those policies are adjusted as necessary at the discretion of the Executive Director and the Finance Director.

4.0 POLICIES

The following policies and procedures apply to the financial operations and accounting functions of ECT.

A. PHYSICAL SECURITY

1. *POLICY:*

ECT maintains physical security of its assets to ensure that only individuals who are authorized have physical or indirect access to money, securities, real estate, and other valuable property. ECT also

1 ensures that all critical electronic records are backed up on a regular basis.

2
3 **2. PROCEDURES:**

- 4 a) ECT limits access to bank and investment accounts and accounting software to those
5 individuals who need access in order to perform their job duties via secure passwords that
6 are changed frequently. The Executive Director is responsible for assigning, changing and
7 maintaining passwords as necessary.
- 8 b) Blank check stock is kept in a secure, locked area.
- 9
10 c) The Executive Director is responsible for ensuring that an appropriate level of physical
11 security is maintained over physical assets (cash, equipment, etc.), based on an assessment
12 of related risk.

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16 **B. ACCOUNTING POLICIES AND RECORDS**

17 **1. POLICY:**

18 ECT maintains fiscal policies that are reviewed and approved by the Board of Directors on a bi-annual
19 basis and an up-to-date Accounting Policy & Procedure Manual that identifies how those policies
20 are carried out. Accounting records are maintained in accordance with generally accepted
21 accounting principles (GAAP) and Governmental Accounting Standards Board (GASB) standards. In
22 addition, s. 218.33, F.S., requires local governments to follow uniform accounting practices and
23 procedures and a uniform chart of accounts as established by the Florida Department of Financial
24 Services (DFS). Therefore, ECT accounting policies and procedures are designed in accordance with
25 the DFS Uniform Accounting System Manual to ensure reliable accounting and fiscal management
26 and accurate financial reports.

27
28 **2. PROCEDURES:**

- 29 a) The Uniform Chart of Accounts for ECT is maintained in ~~QuickBooks~~ MIP. The fund categories
30 and account types comply with the most recent edition of the Uniform Accounting System
31 Manual for Florida Local Governments (2014; State of Florida Department of Financial
32 Services, Bureau of Financial Reporting).
- 33 b) Each item of revenue or expense is identified and recorded to the appropriate fund in the
34 general ledger.
- 35 c) Accounting policies and procedures are established to maximize assurance of proper
36 segregation of duties, safeguarding of assets, and execution of transactions in accordance
37 with the directives of the Board of Directors, management, grant/contract provisions, and
38 legal and regulatory requirements. The Finance Director updates the procedures throughout
39 the year as necessary to reflect changes in systems, activities or job responsibilities and

1 prepares an updated policy and procedure manual for Board review and approval at least
2 every two years.

3 d) The Finance Director reviews the financial records on a monthly basis to ensure records are
4 maintained according to GAAP and GASB standards.

5 e) The Finance Director maintains knowledge of all changes instituted by standard setting
6 bodies and ensures the changes are implemented correctly and in a timely manner.

7 f) The Finance Director ensures appropriate segregation of financial responsibilities. Currently,
8 duties are performed by:

9 • *Board of Directors/Executive Director* – Approvals and check signing (see part IIA for limits
10 and details)

11 • ~~The Accounting Firm~~ Finance Director – prepares monthly financial statements,
12 reconciles accounts, and reviews A/P and Payroll transactions.

13 ~~Finance Director~~ – performs routine bookkeeping, prepares payroll, codes and processes
14 accounts payable invoices, prepares disbursement checks and electronic vendor
15 payments, maintains vendor records, completes new vendor setup, maintains general
16 ledger, assists with month end processing, and submits the Annual Financial Report to
17 Florida Department of Financial Services

18 • *Certified Public Accountant* – performs annual audit.

20 C. AUDIT

21 1. **POLICY:**

22 In accordance with the Florida Department of Economic Opportunity’s Special District Handbook
23 Online (September 14, 2020), it is the policy of ECT to require an annual audit by an independent
24 Certified Public Accountant firm selected by the Budget Committee of the Board of Directors, acting
25 as the audit committee, via the competitive bid process. The ECT must file the Financial Audit Report
26 with the Florida Auditor General and the Florida Department of Financial Services.

28 2. **PROCEDURES:**

29
30 a) Once the Board has engaged a CPA firm to conduct the annual audit, the Finance Director
31 is responsible for scheduling the engagement, ensuring all schedules are prepared in
32 advance of the engagement and working with ~~the Accounting Firm~~, the Budget Committee
33 and the CPA firm to address and correct any management letter issues.

34 b) The Finance Director is responsible for working with the firm and communicating any issues
35 as they arise with the Executive Director.

- 1 c) The Finance Director, ~~the Accounting Firm~~, and the Executive Director will meet with the
2 audit firm to review the proposed financial statements and management letter comments
3 and provide feedback prior to presentation to the Budget Committee.
- 4 d) The audited financial statements will include a breakdown of functional expenses (program,
5 administration, etc.).
- 6 e) A representative from the audit firm will present the audit findings to the Budget Committee
7 of the Board of Directors. The Budget Committee will accept the report, which will be
8 presented at the next official meeting of the Board of Directors. Board members will receive
9 a complete copy of the report.
- 10 f) The ~~Accounting Firm~~ Finance Director will enter adjusting and reclassification journal entries
11 into the computerized system, ~~QuickBooks~~ MIP, as of the fiscal year end and will prepare a
12 final set of year-end financial statements, including a 'budget to actual' comparison for
13 review by the Budget Committee and Board of Directors.
- 14 g) Special audits may be conducted whenever a situation arises that questions the integrity or
15 fiscal accountability of ECT.
- 16 h) The Finance Director will file the Financial Audit Report with the Florida Auditor General and
17 the Florida Department of Financial Services according to the instructions in the Florida
18 Special District Handbook Online.

19 **D. DEBT**

20 **1. *POLICY:***

21 It is the policy of ECT to require that any ongoing or revolving debt incurred by the organization is
22 approved and authorized in advance by the Board of Directors.

23
24 Subject to any statutory limitations, credit accounts with vendors may be established at the
25 discretion of the Executive Director based on organizational needs. These accounts are to be paid in
26 full each month. Subject to any statutory limitations, a line of credit may be opened at the discretion
27 of the Board based on organizational needs. It will be repaid according to the terms of the
28 agreement.

29 All agreements for a term greater than one year must include a clause that the agreement is subject
30 to fiscal appropriations.

31
32 **2. *PROCEDURES:***

33 a) Any new debt of an ongoing nature must be pre-approved by the Board of Directors.

34
35 b) The Executive Director negotiates all leases in consultation with the Board of Directors or
36 their designee.

- 1 c) Leases are reviewed at inception for appropriate classification (capital vs. operating) in the
2 accounting records.
- 3 d) Original leases and service contracts are maintained by the Finance Director.
- 4
- 5 e) The Executive Director may authorize agency credit accounts with vendors based on
6 organizational needs. The Executive Director is responsible for setting up accounts and
7 ensuring the physical security of credit cards.
- 8 f) Agency credit cards are to be used strictly for the business purposes of ECT and may not be
9 used for personal expenditures. Staff members must provide documentation for all credit
10 card expenditures and sign an agreement upon receipt of their credit card that outlines their
11 understanding of the credit card guidelines.

12 **E. BANKING**

13 **1. POLICY:**

- 14 a) Bank accounts may be opened only upon authorization by the Board of Directors, and all
15 bank accounts must be opened with the organization's employer identification number (EIN).
- 16 b) ECT will maintain separate bank accounts for general operations and reserves.
- 17 c) All authorized users of online banking must sign an agreement detailing the date provided
18 access, username, and password.
- 19 d) Signing of blank checks is prohibited.
- 20 e) Check signers are reviewed and confirmed by resolution of the Board any time there is a
21 change in Board leadership (i.e., Chair and/or Treasurer) or the Executive Director.
- 22 f) All checks require two signatures and must be signed by the Chair of the ECT and
23 countersigned by either one other member of the Board or by the Executive Director if so
24 authorized by the ECT. In the absence of the Chair, the Treasurer shall be the primary check
25 signer subject to countersignature by another member of the Board or the Executive
26 Director.
- 27 g) Online banking passwords will be provided only to those with online access; passwords will
28 be changed at least annually and more frequently if necessitated by a change in staff.
- 29 h) Board minutes will reflect all approved banking changes.
- 30

31 **F. FINANCIAL REPORTING**

32 **1. POLICY:**

33 It is the policy of ECT for the ~~contracted accounting firm, The Accounting Firm,~~ Finance Director to
34 prepare a statement of activities (income statement) and statement of financial position (balance

1 sheet) on a monthly basis. The income statement will reflect a comparison of budget to actual
2 revenues and expenses for the current period and the year to date; the statement of financial position
3 will provide comparative data.
4

5 The Board of Directors will review and ~~approve~~ file financial statements at their regularly scheduled
6 meetings. Year-end financial statements will be prepared in accordance with generally accepted
7 accounting principles (GAAP) and will include a statement of cash flows.
8

9 **2. PROCEDURES:**

- 10 a) The ~~Accounting Firm~~ Finance Director will prepare financial statements and narrative reports
11 within 30 days of each month for the preceding month, unless an extension has been
12 granted.
- 13 b) Once the financial statements have been reviewed and ~~approved~~ by the Executive Director
14 and Budget Committee, they will be sent to the Board of Directors at least three (3) days
15 prior to the Board meeting.
- 16 c) At each meeting, the Board will review and ~~approve~~ the financial statements. Approval
17 Review will be documented in the meeting minutes.

18 **G. TRAVEL**

19 **1. POLICY:**

20 It is the policy of ECT to reimburse business related travel at the reimbursement rates approved by
21 the Florida legislature. ECT will pay a reasonable amount for business related meals and travel costs
22 and coach fare for all airline travel in compliance with Section 112.061, Florida Statutes, regarding
23 per diem and travel expenses of public officers, employees, and authorized persons and the
24 statewide travel management system. Per diem payment for travel will be allowed at State rates.
25 Any exceptions to the use of State rates must be documented as to the reason for the deviation (i.e.,
26 hotel or flights unavailable, etc.).
27

28 The mileage rate and limits for travel related expenses will be reviewed and updated by the Finance
29 Director as necessary prior to the beginning of each fiscal year. Under no circumstances will ECT
30 reimburse employees for the purchase of alcoholic beverages.
31

32 **2. PROCEDURES:**

- 33 a) Travel and related expenses are documented on the employee's Expense Reimbursement
34 Form.
- 35 b) When booking airfare and other travel arrangements, the employee should make reasonable
36 attempts to find the most economical options but may not exceed the allowable rate for the
37 destination as per applicable State guidelines without prior authorization from the Executive
38 Director.

1 c) Per diem reimbursement is made pursuant to State guidelines as well. Any meals that are
2 paid for by ECT, conference hosts, etc., are deducted from the travel or per diem
3 reimbursement amount.

4 **H. DISBURSEMENTS & PROCUREMENT**

5 **1. POLICY:**

6 Approval Limits:

- 7 • **Director-level Staff** – budgeted expenditures up to \$500
- 8 • **Executive Director** – expenditures, budgeted up to \$50,000 and unbudgeted, up to \$100.
- 9 • **Board of Directors or designated committee** – expenditures, budgeted in excess of \$50,000
10 and unbudgeted in excess of \$100.

11 In addition, the Board must approve any expenditures that will cause annual expenses to exceed
12 the approved budget line item by more than 10%.

13
14 ECT requires that:

- 15 • All checks are pre-numbered and used in numerical sequence;
- 16 • Approval is documented in writing or electronically;
- 17 • All checks are made payable to a specific payee;
- 18 • Adequate documentation is received prior to payment;
- 19 • Pursuant to Sec. 215.85, Florida Statutes (2021), disbursements may be made by check,
20 direct deposit, electronic, telephone, or other manner of payment. However, all
21 disbursements must comply with the two-signature requirement of Sec. 125.901, Florida
22 Statutes (2021);
- 23 • All disbursements require authorization by signature of the ECT Chair and a second signature
24 of either the other designated ECT member or the Executive Director. Pursuant to Sec.
25 668.004, Florida Statutes (2021), an electronic signature may be used to sign a writing and
26 shall have the same force and effect as a written signature ;
- 27 • All disbursements must be supported by an invoice or other appropriate documentation;
- 28 • All checks are signed by the Chair and countersigned by one other member of the ECT or the
29 Executive Director;
- 30 • Every effort is made to pay vendors by the due date;
- 31 • All disbursements are properly accounted for in QuickBooksMIP;

- 1 • New entries are reviewed to prevent duplication of previous entry of expenses or
2 disbursements;
- 3 • Void and stale checks must be mutilated, maintained in numerical order and identified in the
4 accounting records as void; and
- 5 • Blank check stock is maintained in a locked area at all times.

6
7 In addition, ECT will:

- 8 • Take steps to ensure that the most reasonable price for aggregate purchases under \$50,000
9 is obtained.
- 10 • Make a good faith effort to obtain at least three price or rate quotes for purchases of goods
11 and services in excess of \$5,000. Documentation of price and rate quotes must be
12 maintained and filed with the final expenditure documentation. Quotes may be obtained
13 from a variety of simple sources, e.g., internet search, vendor price listing, verbal quotes,
14 etc. If a vendor is not selected based on the lowest price, the reason for the selection will be
15 appropriately documented.
- 16 • Ensure that sole-source procurements are approved in advance, if applicable.
- 17 • Make all purchases in accordance with legal and contractual requirements.
- 18 • Open to bid all ongoing contractual services both initially and on a three- or five-year cycle,
19 depending on the needs of the organization.
- 20 • Require use of the sales tax exemption certificate when use of the certificate is practical and
21 feasible. The use of ECT sales tax exemption certificate for personal purchases is prohibited.
- 22 • Allow the use of agency credit cards or credit accounts in situations where regular, recurring
23 purchases are made from vendors that would require the use of a check or petty cash or
24 when in the interest of time, the use of a credit card is necessary. As the use of an agency
25 credit account is for convenience only, the accounts will be reconciled and paid in full upon
26 receipt of the statement to avoid interest costs. Use of agency credit accounts requires the
27 same approval processes as other purchases or cash disbursements. Use of agency credit
28 accounts for personal purchases is prohibited.

29
30 **2. PROCEDURES:**

31
32 a. Documentation, Authorization, and Request for Payment:

- 33 1. The employee requesting the expenditure or reimbursement is responsible for obtaining

1 the necessary approval (as indicated by either a live signature or email indicating
2 approval), for attaching adequate supporting documentation, and for completing an
3 expenditure request form. Once all required documentation and approval has been
4 obtained, the request should be forwarded to the Finance Director for processing.

- 5 2. All invoices, bills and statements received by email should be forwarded to the Finance
6 Director, who is responsible for obtaining the necessary backup documentation and
7 approval according to agency policy.
- 8 3. Expenditures made by credit card: the Finance Director is responsible for ensuring
9 adequate documentation and approval for all credit card charges.
- 10 4. Executive Director expenses are reviewed by the Board Treasurer on a quarterly basis.
11 Evidence of this review will be indicated by the treasurer's signature on the backup
12 documentation.
- 13 5. If an expenditure will be paid out over an extended period, authorization approval needs
14 to be obtained only once, for the entire amount of the expected expenditure. If the total
15 amount of actual payments exceeds the approved amount, the amended amount must
16 be approved.
- 17 6. A copy of all required documentation is maintained in both the electronic and paper files
18 with other supporting documentation for the expenditure.

19
20 **b. New Vendor Setup:**

- 21 1. The ~~Accounting Firm~~ Finance Director will obtain an IRS W-9 from all new vendors prior to
22 payment, which enables ECT to determine whether it is legally required to file a form
23 1099 for that vendor.
- 24 2. The ~~Accounting Firm~~ Finance Director is responsible for setting up new vendors in
25 QuickBooks MIP.
- 26 3. The Executive Director must approve all new vendors set up for automatic or electronic
27 payment.

28
29 **c. Expense Reporting:**

- 30 1. Limits for travel and business expenses are outlined in the "travel" policy section of this
31 document.
- 32 2. Once approved, The ~~Accounting Firm~~ Finance Director sets up the payment for
33 processing in the next payroll.
- 34 3. Payment is included in the employee's next payroll direct deposit.
- 35
36 4. Original expense reports and supporting documentation will be stored electronically.
37 Records will be maintained pursuant to the applicable retention schedule. Periodic
38 audits will be conducted to ensure compliance.

1 *d. Expense Reimbursement Requests:*

2 Expense reports are due on the 25th of each month for the prior month's expenses in order to
3 provide the Finance Director time to record those expenses in the month-end financial statements
4 and to record credit card charges. While this may not always be possible, expenses should be
5 submitted as soon after the 25th as possible, but not later than the 5th of the following month. ECT
6 does not reimburse expenses more than 60 days old. The Expense Reimbursement Form must be
7 completed as follows:

- 8 1. Mileage – name of traveler, purpose of travel, period of travel, and miles traveled. A
9 copy of the program or agenda of the convention or conference, itemizing
10 registration fees and any meals or lodging included in the registration fee, shall be
11 attached to, and filed with, the copy of the travel authorization request form on file
12 with the agency. The form shall be signed by the traveler and by the traveler's
13 supervisor stating that the travel is to be incurred in connection with official business
14 of ECT.
15
- 16 2. Reimbursable expenses - enter the receipt date, amount, and description of the
17 expense.
- 18 3. Original receipts must be attached to the expense report and forwarded to the
19 Finance Director. Expense Reimbursement Forms must be signed by a supervisor
20 prior to submission.
- 21 4. Employees should maintain copies of all expense reimbursement requests for their
22 personal records. The Finance Director will scan and maintain electronic copies as
23 well as the original documentation for all expense requests.
- 24 5. In the event a receipt is lost or unobtainable (e.g., parking meter, tolls, etc.), a Missing
25 Receipt Form must be completed and submitted in lieu of the receipt.

26 *e. Sales Tax Exemption:*

- 27 1. All purchases must utilize the sales tax exemption certificate when practical and feasible.
28 If an employee chooses not to utilize the sales tax exemption certificate, the employee
29 will not be reimbursed for sales tax paid or will be required to reimburse the organization
30 for sales tax paid.
- 31 2. It is the responsibility of the Finance Director to ensure that all ECT staff have access to
32 the tax exemption certificate as needed. It is the responsibility of each employee to
33 ensure that all purchases are made using the sales tax exemption certificate.

34 *f. Payment Processing*

- 35 1. Once all required documentation and approval has been obtained, the Finance Director
36 enters invoices, expenditure requests, expense reimbursements, etc., into QuickBooks

1 MIP.

- 2 2. Monthly statements are reviewed for past due items and individual invoices reconciled
3 prior to payment being processed.
- 4 3. Weekly, the Finance Director reviews the open invoice list and recommends items for
5 payment based on due dates and available cash.
- 6 4. Once the Executive Director has approved the disbursement list, The ~~Accounting Firm~~
7 Finance Director processes all approved items for payment (check) and prepares a check
8 register.
- 9 5. The Executive Director signs checks, verifies that the check register agrees to the
10 approved disbursement list and signs off on the check register. The Executive Director
11 then takes the check to the Board Chair or Treasurer for second signatures.
- 12 6. The Finance Director files all disbursement backup in electronic or paper files for each
13 vendor.

14
15 *g. Void Checks (see also "Bank Account Reconciliations"):*

- 16 1. All voided checks must be voided by The ~~Accounting Firm~~ Finance Director in
17 ~~QuickBooks~~ MIP. Checks not cashed within 60 days will be classified as stale checks and
18 will be researched as to why they were not cashed and may be subject to voiding if
19 indicated.
- 20 2. The voided check should be marked void, mutilated, and stored in numerical order with
21 canceled checks.
- 22 3. If the check is not going to be reissued, the invoice should be reversed by The ~~Accounting~~
23 ~~Firm~~ Finance Director in ~~QuickBooks~~ MIP.

24 **I. PAYROLL**

25 **1. POLICY:**

26 It is the policy of ECT to:

- 27 • Obtain all required paperwork upon hire of a new employee;
- 28 • Require documentation, certification of hours worked and leave taken and supervisor
29 approval, in accordance with the ECT timekeeping policy and procedures, before payroll
30 disbursement is made;
- 31 • Require written authorization of employee status changes via a Personnel Action Form;
- 32 • Comply with state and federal requirements and regulations;
- 33 • Pay all payroll-related taxes within the timeframe established by state and federal guidelines
34 and submit all tax related reports in a timely manner; and

1 **2. PROCEDURES:**

2 a. New Hires:

- 3 1. Authorization for new hires, including pay rate and start date, is documented and forwarded
4 to the Finance Director, who completes all new hire processing.
- 5 2. As part of the hiring process, new employees must undergo and pass background
6 screening that complies with Level 2 standards set forth in Sec. 425.04, Florida Statutes.
- 7 3. Upon hire, the Finance Director conducts an orientation with the new employee and obtains
8 the following paperwork ~~and forwards it to The Accounting Firm:~~
- 9 a. Employment Eligibility I9 Form and e-Verification documentation
 - 10 b. Federal Withholding W4 Form
 - 11 c. Driver's license & auto insurance card
 - 12 d. Social Security card
- 13
- 14
- 15
- 16
- 17 4. The Finance Director prepares an employee file with all required documentation and submits
18 the employee name to the Federal E-Verify system.
- 19 5. The ~~Accounting Firm~~ Finance Director is responsible for new hire reporting to the State of
20 Florida.
- 21

22 b. Payroll Processing:

- 23 1. The ~~Accounting Firm~~ Finance Director is responsible for ensuring that payroll is completed in
24 an accurate and timely manner.
- 25 2. Pay rate changes are approved by the Executive Director and forwarded to The ~~Accounting~~
26 ~~Firm~~ Finance Director, who is responsible for updating payroll records and including the
27 documentation in the employee file.
- 28 3. Employees are responsible for completing timesheets documenting their activity for the pay
29 period.
- 30 4. Upon receipt of completed and approved timesheets, The ~~Accounting Firm~~ Finance Director
31 prepares payroll documentation for review by the Executive Director.
- 32 5. Once payroll documentation has been reviewed and approved, The ~~Accounting Firm~~ Finance
33 Director processes payroll.
- 34 6. The ~~Accounting Firm~~ Finance Director is responsible for processing and entering requests for
35 payment for employee retirement contributions within 7 days of the date of payroll or by
36 the required deadline, whichever is shorter.
- 37 7. The ~~Accounting Firm~~ Finance Director is responsible for maintaining documentation
38 (electronic and paper as appropriate) for each payroll.
- 39 8. The ~~Accounting Firm~~ Finance Director is responsible for recording the payroll in ~~QuickBooks~~
40 MIP.
- 41 9. The ~~Accounting Firm~~ Finance Director is responsible for the timely payment of payroll taxes

1 and for filing all required quarterly payroll tax reports (see also "Taxes").

2
3 **J. RECEIPTS**

4
5 **1. POLICY:**

6 It is the policy of ECT that all receipts (cash or check) are 1) immediately endorsed and documented,
7 2) maintained in a secure place prior to deposit, 3) deposited in a timely manner and 4) recorded
8 correctly in the computerized accounting system. The function of recording cash is segregated from
9 cash handling functions. The cashing of checks from ECT currency is prohibited.

10
11 **2. PROCEDURES:**

12 a. The Finance Director is responsible for processing cash receipts received in person or via
13 email and is responsible for:

- 14
- 15 • Endorsing checks with a "for deposit only" stamp immediately upon receipt.
 - 16 • Recording all receipts in a weekly cash log that indicates program, location and project.
 - 17 • Ensuring that all funds received are maintained in a locked, secure location until they are
18 deposited.
 - 19 • ~~Forwarding an electronic copy of the cash log to The Accounting Firm.~~

20 b. The Finance Director is responsible for:

- 21 • Depositing checks via remote deposit capture, in alignment with guidelines issued by
22 the bank.
- 23 • Recording all deposits and EFT payments into ~~QuickBooks~~ MIP.
- 24 • Making bank deposits.
- 25 • Maintaining backup documentation for all deposits.

26 ~~c. The Accounting Firm is responsible for:~~

- 27 • Reconciling all daily cash logs with the total deposits for the month and researching
28 any discrepancies.
- 29 • Reviewing cash receipts posting to the general ledger for accuracy.

30 **K. TAXES**

31 **1. POLICY:**

32 ECT will make timely payments to all taxing authorities, file all reports to taxing authorities within
33 the required time frame, and maintain tax exemption when exemption is available.

34
35 **2. PROCEDURES:**

36
37 a. Payroll Taxes

38 The ~~Accounting Firm~~ Finance Director is responsible for the timely filing of payroll taxes, for
39 completing the quarterly payroll tax returns by the required due dates, and for filing the annual W-

1 2s and W-3 on an annual basis by the required due date each year.

2
3 **b. 1099s**

4 1. The ~~Accounting Firm~~ Finance Director is responsible for filing the 1099s and form 1098 on
5 an annual basis by the due date.

6
7 2. When a new vendor is set up in ~~QuickBooks~~ MIP, the Finance Director indicates whether
8 the vendor requires a 1099.

9
10 **c. Sales Tax Exemption**

11 The Finance Director is responsible for filing and maintaining all required documentation necessary
12 to ensure tax exemptions, including but not limited to exemptions for property and sales taxes.

13
14 **L. FIXED ASSETS & EQUIPMENT**

15 **1. POLICY:**

16 It is the policy of ECT to:

- 17 • Capitalize all tangible personal property with a useful life of more than one year and a unit
18 acquisition cost of \$5,000;
- 19 • Depreciate fixed assets over the appropriate useful life using the straight-line method of
20 depreciation;
- 21 • Maintain a detailed inventory of fixed assets including date of acquisition, cost, location and
22 donor or funding source restrictions;
- 23 • Maintain an inventory of all equipment purchased; whether or not the equipment meets the
24 capitalization threshold, to include the date of purchase, location, original cost, and
25 disposition of each item;
- 26 • Complete a periodic physical inventory of fixed asset items;
- 27 • Require authorization of the Executive Director prior to disposal of fixed assets; and
- 28 • Record disposals of fixed assets in the general ledger.

29
30 **2. PROCEDURES:**

31 a) The decision to depreciate is based on the total cost of the asset and a useful life of more
32 than one year.

33 b) Fixed assets containing separate physical parts (for example, a PC, monitor and keyboard, or
34 set of tables and chairs) are considered one asset group consisting of component parts. The
35 group cost is evaluated against the inventory or capitalization threshold to determine if it
36 should be recorded in the Fixed Asset records. Depreciation (if applicable) is calculated on
37 each asset group based on the group's recorded value and asset life.

38 c) Equipment and other fixed assets are tagged with an asset number immediately upon receipt

1 and prior the item being put into use.

- 2 d) On at least an annual basis, designated staff will conduct an inventory of all equipment and
3 other fixed assets. The Finance Director will review the detailed fixed asset schedule and
4 identify any items that need to be removed from the list.

5 **M. BALANCE SHEET RECONCILIATIONS**

6
7 **1. *POLICY:***

8 It is the policy of ECT to reconcile cash, A/P and A/R accounts on a monthly basis. All other balance
9 sheet accounts will be reconciled on at least quarterly basis.

10
11 **2. *PROCEDURES:***

12
13 *a. Bank Account Reconciliations*

14 1. The ~~Accounting Firm~~ Finance Director:

- 15
16 • Downloads the bank statement in order to prepare the bank reconciliation each
17 month;
- 18 • Prepares and enters journal entries to record all interest, fees and other bank activity;
19 and
- 20 • Reconciles bank records to the general ledger balance in ~~QuickBooks~~ MIP by
21 clearing deposits, checks and other bank activity.

22 2. Once the statements are reconciled, the bank reconciliation reports (including detailed lists
23 of outstanding checks and deposits in transit) are reviewed and approved by the Executive
24 Director. The report should include the reconciled bank balance as well as the general ledger
25 balance of the account.

26 3. Checks outstanding for more than 60 days should be investigated. When appropriate,
27 payment is stopped, the original check is voided, and the check reissued. The Finance
28 Director should also determine if funds should be remitted to the State of Florida as
29 unclaimed property.

30 4. The ~~Accounting Firm~~ Finance Director files the approved bank reconciliation reports and
31 bank statements in the individual bank account file folders.

32
33 *b. Accounts Payable and Accounts Receivable Reconciliations*

34 1. On a monthly basis prior to the issuance of financial statements, The ~~Accounting Firm~~
35 Finance Director will reconcile the general ledger balances for A/P and A/R to the sub-ledgers
36 for each account and will research and correct or reclassify any discrepancies.

2. In the event that The ~~Accounting Firm~~ Finance Director identifies duplicate or erroneous entries, they will record a correcting entry. In the event that Trust funds have been invoiced or drawn down based upon a duplicate or erroneous entry, the amount will be reduced from the next draw or invoice.
3. The ~~Accounting Firm~~ Finance Director will notify the Executive Director of any payables or receivables older than 90 days.

c. Other Balance Sheet Accounts

The ~~Accounting Firm~~ Finance Director is responsible for preparing quarterly reconciliations for all other balance sheet accounts. ~~The Accounting Firm may designate balance sheet account reconciliation to the Finance Director in instances where this will not create an internal control issue.~~

N. FUNDING AND FINANCIAL REPORTING

1. POLICY:

It is the policy of ECT to ensure compliance with all contractual guidelines and requirements related to Trust transfer of funds and financial reporting.

2. PROCEDURES:

- a) It is the responsibility of the Finance Director to maintain up to date knowledge of the ECT funds from the County and applicable financial reporting guidelines.
- b) Cost Reimbursement Grants to Programs:
 1. Prior to a request for reimbursement, a report of all expenditures along with appropriate supporting documentation must be reviewed by the Program Director.
 2. Once the expenditure report is approved, the request for payment or invoice is submitted to the Finance Director.
- c) Unit Rate Grants to Programs:
 1. Data for unit cost grants will be submitted by the grantee in accordance with their established unit cost rate.
 2. Unit cost reimbursement requests must be reviewed by the Program Director.
 3. Once the expenditure report is approved, the request for payment or invoice is submitted to the Finance Director.
- d) Quarterly, semi-annual, annual, or other periodic reports as well as final close-out financial reports are also submitted to the Finance Director. To ensure accuracy and alignment with programmatic reports, periodic financial reports are reviewed and approved by the Program

1 Director and the Executive Director.

- 2 e) Both paper and electronic copies of all financial reports and supporting documentation are
3 maintained pursuant to the applicable retention schedule for public records.

4 **O. INSURANCE**

5
6 **1. *POLICY:***

7 It is the policy of ECT to maintain appropriate levels of insurance coverage and to include an annual
8 review of insurance coverage prior to policies renewal. Required insurance coverage includes but is
9 not limited to:

- 10
- 11 • Property – to include all owned and leased buildings and contents, computers and all other
12 owned and leased properties. This coverage should also include business interruption
13 insurance for each location in which the agency does business if applicable.
 - 14 • Directors & Officers – limits and coverage to be reviewed and approved by the Board of
15 Directors on an annual basis.
 - 16 • General and Professional Liability Coverage – to be appropriate based on the level and type
17 of activities provided by the agency.
 - 18 • Business Interruption – to be appropriate based on the level and type of activities conducted
19 by the agency and related income from those activities.
 - 20 • Bonding Insurance – coverage for all employees who have access to cash in the regular
21 course of their jobs.
 - 22 • Employee Practices Liability Insurance – covers the organization against lawsuits or claims
23 filed by employees, former employees and employment candidates.
 - 24 • Cyber Risk – protects the agency in the event of data compromise.
 - 25 • Child Abuse & Molestation Insurance - covers the organization against lawsuits or claims
26 filed by clients or their children.

27 In the event that 1) a particular category of insurance is not available to ECT or 2) the insurance
28 broker or other risk management expert recommends against a particular category of insurance
29 based on risk assessment, the decision not to obtain that category of coverage will be shared with
30 the Board of Directors.

31
32 **2. *PROCEDURES:***

33 The Finance Director, in consultation with the Board Treasurer and Executive Director, is responsible
34 for:

- a. Reviewing insurance coverage on an annual basis
- b. Providing all information required for new or renewal coverage to the broker in a timely manner
- c. Updating the broker throughout the year on organizational changes that impact risk and related coverage as required

P. BUDGET

1. *POLICY:*

It is the policy of ECT to develop a written budget that serves as a plan for managing its fiscal resources. The budget serves as the primary tool in allocating financial resources to programs and services. This process is well-integrated with the other activities of the agency and should produce a balanced budget that has been well planned and communicated among all stakeholders.

On or before July 1 of each year, the council on children's services shall prepare a tentative annual written budget of the district's expected income and expenditures, including a contingency fund. The council shall, in addition, compute a proposed millage rate within the voter-approved cap necessary to fund the tentative budget and, prior to adopting a final budget, comply with the provisions of s. 200.065, relating to the method of fixing millage, and shall fix the final millage rate by resolution of the council. The adopted budget and final millage rate shall be certified and delivered to the governing body of the county as soon as possible following the council's adoption of the final budget and millage rate pursuant to chapter 200. Included in each certified budget shall be the millage rate, adopted by resolution of the council, necessary to be applied to raise the funds budgeted for district operations and expenditures. In no circumstances, however, shall any district levy millage to exceed a maximum of 0.5 mills of assessed valuation of all properties within the county which are subject to ad valorem county taxes.

The budget process includes participation of all stakeholders, ECT staff, and the Board of Directors and is based on:

- Assessment of the annual budget in relation to strategic planning
- Comprehensive assessment of the organization's programs
- Allocation of direct and indirect operating expenditures based on actual historical data
- Contractual requirements
- Potentially changing costs and conditions
- Anticipated funding streams during the year

1 The Board will review and approve all revisions to the budget and will evaluate compliance with the
2 budget by reviewing budget to actual variance analyses on a monthly basis. The Board may amend
3 a budget within a fiscal year or within 60 days following the end of the fiscal year
4 under certain circumstances.

5
6 **2. PROCEDURES:**

7 An operational budget based on program or supporting service components, showing support and
8 revenue by source and expense by classification for the fiscal year, is prepared and revised as
9 needed, utilizing the following procedures:

- 10
11 a) ECT's budget is based on an October 1 through September 30 fiscal year.
- 12
13 b) The Board of Directors or designated Budget Committee is responsible for establishing
14 guidelines for budget preparation including, but not limited to target revenue levels, target
15 net income, frequency of budget review, and limitations on capital expenditures.
- 16
17 c) The Finance Director and Executive Director begin the budget procedure three - six months
18 prior to the beginning of the fiscal year.
- 19
20 d) The ~~Accounting Firm~~ Finance Director prepares a salary and FTE detail schedule for review.
- 21
22 e) Revenue and expense projections for each program/project are provided by the Finance
23 Director, who compiles all budget data into a comprehensive document. The amount
24 available from taxation and other sources, including amounts carried over from prior fiscal
25 years, must equal the total appropriations for expenditures and reserves.
- 26
27 f) The Executive Director, and the Finance Director, ~~and the Accounting Firm~~ review the draft
28 budget and make any revisions necessary. Once those revisions have been made, the
29 Executive Director presents the budget to the Budget Committee for review.
- 30
31 g) The tentative budget must be posted on the ECT website at least two days before the first
32 budget hearing and must remain on the website for at least 45 days.
- 33
34 h) Once approved by the Budget Committee, the budget is submitted to the full Board of
35 Directors for approval prior to the beginning of the fiscal year. The budget must be adopted
by resolution.
- i) Once the budget is approved, the ~~Accounting Firm~~ Finance Director enters the budget data
into ~~QuickBooks~~ MIP, taking care to allocate revenues and expenses to the appropriate
periods.
- j) The final adopted budget must be posted on the ECT website within 30 days after adoption

1 and must remain on the website for at least two years.

2 k) If the Board amends the budget, the adopted amendment must be posted on the ECT
3 website within five days after adoption.

4 **Q. INVESTMENTS**

5
6 **1. POLICY:**

- 7 • The Board of Directors is responsible for the purchases and sales of investments and for
8 ensuring that the investment income and gains are used only for purposes authorized by law
9 (Section 218.415 – Local Government Investment Policies) and Board policy.
- 10 • Securities will be maintained in the custody of financial institutions as approved by the Board
11 of Directors.
- 12 • The Board of Directors will be responsible for establishing investment guidelines and
13 maintaining records of all investments and investment income.
- 14 • Investment account activity will be reported in the financial statements and reconciled to
15 the general ledger on at least a quarterly basis.
- 16

17 **R. BOARD RESERVE ACCOUNT**

18
19 **1. POLICY:**

20 It is the policy of ECT to maintain operating Board Reserves to ensure the stability of the mission,
21 programs, employment, and ongoing operations of the organization. The Board Reserves account is
22 intended to provide an internal source of funds for situations such as a sudden increase in expenses,
23 unanticipated loss or delay in funding, or uninsured losses. The Reserves may also be used for one-
24 time, nonrecurring expenses that will build long-term capacity, such as staff development, research
25 and development, or investment in infrastructure.

26
27 Board Reserves are not intended to replace a permanent loss of funds or eliminate an ongoing
28 budget gap. It is the intention of ECT for Reserves to be used and replenished within a reasonably
29 short period of time. The Board Reserves policy will be implemented in concert with the other
30 governance and financial policies of ECT and is intended to support the goals and strategies
31 contained in these related policies and in strategic and operational plans.

32
33 **2. PROCEDURES:**

34 The Board Reserves account is defined as a designated fund set aside by action of the Board of
35 Directors. The minimum amount to be designated as Board Reserves will be by the Board of
36 Directors. The Board Reserves account serves a dynamic role and will be reviewed and adjusted in
37 response to internal and external changes. The calculation of average monthly operating costs

1 includes all recurring, predictable expenses such as salaries and benefits, occupancy, travel,
2 program, and ongoing professional services. Depreciation, in-kind, and other non-cash expenses are
3 not included in the calculation.
4

5 The amount of the Board Reserves account target minimum will be calculated each year after
6 approval of the annual budget, reported to the Budget Committee and the Board of Directors, and
7 included in the regular financial reports.
8

9 The Board Reserves account will be funded and available in cash or cash equivalent funds. Board
10 Reserves will be maintained in a segregated bank account or investment fund, in accordance with
11 investment policies.
12

13 The Board Reserves will be funded with surplus unrestricted operating funds.
14

15 **S. CONTRIBUTIONS**

16 **1. *POLICY:***

17 It is the policy of ECT to:

- 18 • Acknowledge donor contributions within three (3) days of receipt and in accordance with IRS
19 regulations;
- 20 • Comply with all IRS disclosure and acknowledgement requirements at the time of
21 contribution;
- 22 • Record contributions in the financial statements in accordance with GAAP;
- 23 • Record contributions as pledged or received in accordance with GAAP;
- 24 • Credit contributions to the appropriate revenue lines as presented in the annual budget; and
- 25 • Reconcile contributions recorded in the donor database with the contributions recorded in
26 the financial records on a monthly basis and investigate discrepancies.

27 **2. *PROCEDURES:***

- 28 1. Checks received by ECT for unrestricted donations should be logged both in ~~QuickBooks~~ MIP
29 and in the check log. The ~~Accounting Firm~~ Finance Director should log them in ~~QuickBooks~~
30 MIP, and the Finance Director should log them in the check log within one day of receipt.
31

32 **T. PCI COMPLIANCE**

33

34 It is the policy of ECT to comply with all governmental and merchant account requirements related
35 to privacy and recordkeeping of donors' credit card data. It is the responsibility of the Finance
36 Director to ensure ongoing compliance and to protect the security of all vendor credit card and
37 account information.

1
2 **U. IN-KIND CONTRIBUTIONS**
3

4 **1. POLICY:**

5 It is the policy of ECT that all in-kind contributions of goods and services be documented and
6 acknowledged in accordance with generally accepted accounting principles (GAAP).
7

8 **2. PROCEDURES:**

9 Generally, in-kind contributions should be recorded as in-kind Revenue with an offsetting In-kind
10 Expense. These revenues and expenses should be broken out into “in-kind” accounts and not
11 lumped in with similar sources and uses of funds. The most common types of in-kind contributions
12 include donated or discounted services (e.g., catering, space rental, decoration, etc.), and donated
13 equipment and supplies.
14

15 **Professional Services & Donated Space**

16 In-kind contributions of donated or discounted professional services or space should be recorded as
17 an in-kind revenue and an in-kind expense. The revenue account is “In-kind Revenue,” as opposed
18 to other sources of income. The amount of the contribution to be recorded is the amount ECT would
19 reasonably have paid for similar services. Note: this may differ from the value the donor assigns to
20 the contribution. Each in-kind expense should be documented in the same manner as any other
21 expense.
22

23 **Equipment & Supplies**
24

25 In-kind donations of equipment and supplies valued at less than \$5,000 should be recorded as “In-
26 kind Revenue” and “In-kind Expense” as stated above. When the reasonable value of the equipment
27 exceeds \$5,000, the donation is considered an asset rather than an expense. Here, the in-kind
donations should be recorded as “In-kind Revenue” and the offsetting account is the asset account
“Equipment.”

V. PUBLIC RECORD REQUIREMENTS

1. POLICY:

It is the policy of ECT to comply with Florida's public records laws and obligations concerning
financial information disclosure. ECT shall permit public records to be inspected and copied by any
person desiring to do so, at any reasonable time, under reasonable conditions and under supervision
by the custodian of the public records. ECT provides full access to financial information to members
of the Board of Directors.

Public records are all documents, papers, letters, maps, books, tapes, photographs, films, sound
recordings, data processing software or other material, regardless of the physical form,
characteristics or means of transmission, made or received pursuant to law or ordinance or related
to the transaction of official business.

2. PROCEDURES:

- a) Public information materials will be made available for public inspection and copying unless the legislature has enacted a statute which exempts these materials from disclosure.
- b) The Executive Director serves as the public information officer for the ECT.

W. CONSULTANTS

1. POLICY:

It is the policy of ECT that:

- Consultant services follow standard procurement processes.
- Each consultant relationship is supported by a consultant agreement and a completed W-9 before the first check request or invoice will be processed.
- The nature and specific details of each consulting relationship will be reviewed to ensure that the individual does not qualify for employee classification. This review will be documented in writing.

X. EXECUTIVE COMPENSATION

1. POLICY:

It is the policy of ECT that all compensation paid by the organization is reasonable based upon a review of comparability information. This policy provides a procedure for the review and approval of the compensation of the Executive Director consistent with applicable federal tax law and Florida law.

2. PROCEDURES:

The Board of Directors shall review and approve the compensation of the Executive Director.

Y. AUTHORIZED EXPENDITURES FOR REFRESHMENTS AND MEALS

Purpose

To establish guidelines and procedures governing expenditures on snacks and meals.

1. POLICY:

Expenditures for snacks and meals are authorized if: 1) the expenditure is within budget; and 2) the expenditure complies with the guidelines and other provisions of this policy.

Staff should keep in mind not only the wording but the spirit of this policy. We must not only

stay within budget but also avoid giving any appearance of unrestrained spending. We must convey a consistent message of fiscal responsibility with regard to the funds that the taxpayers of this county have entrusted to us.

Guidelines

The Director of Finance & Operations is responsible for ensuring that expenditures are in accordance with intended purposes.

Business Meetings

Refreshments or light snacks may be served at business meetings if outside guests are present. The length and timing of the meeting should also be considered. Lunches are an allowable expense for on-site business meetings if it is intended to keep attendees together over the lunch period.

Training/Retreats

Refreshments or light snacks may be served at training events or retreats. Lunches are considered an allowable expense for training events or retreats when it is intended to keep attendees together over the lunch period.

ECT Special Events

ECT may provide meals or snacks for its special events such as sponsored conferences, publicity events, or promotional activities. Incidental expenditures related to promotional or publicity events – such as room set-up charges, table linens, table decorations, etc. – are also authorized.

Hosting Consultants

From time to time, ECT staff members may find themselves in the position of taking one or more paid or unpaid consultants/experts (collectively referred to as “consultant”) for a meal. Since it is a business meal, the ECT staff member is entitled to reimbursement for the cost of the consultant’s meal, his or her own meal, and that of any other ECT staff members who attend the meal. The expenditure shall not exceed the lesser of the actual cost or \$59/per person/per day. ECT staff members are expected to be mindful of cost issues with respect to 1) whether there is in fact a business purpose for the meal; 2) the restaurant chosen; and 3) the number of ECT staff members attending the meal. The reimbursement request must state the names of the consultant(s); the purpose/type of event; and the number of ECT staff members at the meal. It should also state whether the consultant has a current contract with ECT (to avoid inadvertent reimbursement of a consultant’s expenses for a meal that has already been paid for by a ECT staff member).

2. PROCEDURE

ECT purchasing policies must be followed in order to obtain reimbursement of expenses. All spending limits in these Guidelines are before tax and tip. Reimbursement requests shall not be submitted for any amount that exceeds these maxima or otherwise exceeds the

relevant budget.

1. The Director of Finance & Operations must have pre-approved the expenditure.
2. Alcohol is an unallowable cost for reimbursement or charge on the ECT Purchasing Card.
3. When dining at a restaurant, gratuities are not to exceed 20% of the cost of the meal.
4. Delivery gratuities are not to exceed 10% of the cost of the order.

Snacks and breakfast, lunch, or dinner meals are allowable expenditures, subject to the limitations set out below:

Event	Allowance
Business Meetings	<ul style="list-style-type: none"> • Refreshments or light snacks (Entire day not to exceed \$59 per person per General Services Administration (GSA) guidelines so snacks can be incorporated into breakfast, lunch or dinner prices depending on the time of the meeting) • Working Lunch – \$17.00 per participant
Training/Retreats	<ul style="list-style-type: none"> • Refreshments or light snacks (Entire day not to exceed \$59 per person per GSA guidelines so snacks can be incorporated into breakfast, lunch or dinner prices depending on the time of the meeting) • Working Lunch – \$17.00 per participant
ECT Special Events	<ul style="list-style-type: none"> • Meal allowance will not exceed Maximum Expenditure Guidelines <ul style="list-style-type: none"> ○ Snack - Entire day not to exceed \$59 per person per GSA guidelines so snacks can be incorporated into breakfast, lunch or dinner prices depending on the time of the meeting ○ Breakfast - \$12.00/per participant ○ Lunch - \$17.00/per participant ○ Dinner - \$30.00/per participant
Hosting Consultants	The lesser of the actual cost or \$59/per person/per day
Gifts	Per section 4.7, employees shall not directly solicit, accept, or receive any gift, including meals or refreshments, under circumstances where it could be reasonably inferred or expected that the gift was intended to influence them in the performance of their official duties, or the gift was intended to serve as a reward for any official action on their part. No ECT employee shall receive any gifts from organizations, business concerns, or individuals that have a business relationship with the Trust if such gift has a value over \$25.00.

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Section 3. Severability. If any section, subsection, paragraph, sentence, clause, phrase, or portion of this Policy is for any reason found void, invalid, unlawful, or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, independent, and severable provision such holding shall not affect the validity of the remaining portions of this Policy.

Section 4. Inclusion in the Policy Manual. It is the intention of the Escambia Children’s Trust that the provisions of this Policy shall become and be made a part of the Escambia Children’s Trust Policy Manual; and that the sections of this Policy may be renumbered or re-lettered in order to accomplish such intentions.

Section 5. Effective Date. This Policy shall become effective upon the date approval is granted by the Escambia Children’s Trust.

DONE AND ENACTED this ____ day of _____, 2023.

By: _____
Tori Woods, Chairperson

RESOLUTION 2023-_____

WHEREAS, the ECT Board finds that the Escambia Children’s Trust Policy Manual requires amendment from time to time to accurately reflect the policy of the Trust; and

WHEREAS, the proposed amendment to the policy manual serves a compelling public purpose.

NOW, THEREFORE, BE IT RESOLVED BY THE ESCAMBIA CHILDREN’S TRUST OF ESCAMBIA COUNTY, FLORIDA:

Section 1: Recitals. The foregoing recitals are true and correct and incorporated herein by reference.

Section 2. Amendment. Escambia Children’s Trust Policy Manual Part Two, Funding Community Organizations, Section I, Policies pertaining to Funding Community Organizations, creating Subsection 1.4, Funding Construction, Renovation, and the Purchase of Real Property is hereby amended as follows (words underlined are additions and words ~~stricken~~ are deletions):

1.4 Funding Construction, Renovation, and the Purchase of Real Property

a. Purpose. The purpose of this policy is to establish guidelines for the use of public funds from the Escambia Childrens Trust (ECT) to finance the construction, renovation, or acquisition of real property for the benefit of children. This policy aims to ensure that such projects align with the strategic plan of the ECT and that safeguards are in place to protect the public interest by requiring a reversionary interest and a recorded deed limiting the use of the property.

b. Scope. This policy applies to all projects seeking financial assistance from the ECT for the purpose of constructing, renovating, or acquiring real property that will be used to benefit children within the jurisdiction served by the ECT.

c. Definitions

1. Escambia Childrens Trust (ECT): The governmental entity responsible for managing and allocating funds for the benefit of children in the jurisdiction it serves.

2. Reversionary Interest: A legal provision that grants the ECT the right to reclaim ownership of the property funded by public funds if the property is not used in accordance with the terms and conditions set forth in this policy.

3. Recorded Deed: An official legal document that records the terms and restrictions imposed on the property financed by public funds and serves to notify subsequent owners or users of the limitations on its use.

d. Policy Statement. The ECT may allocate public funds to finance the construction, renovation, or acquisition of real property, subject to the following conditions:

1. Strategic Alignment: The proposed project must align with the strategic plan of the ECT, which outlines the goals, priorities, and focus areas for improving the well-being of children within the jurisdiction.
2. Benefit to Children: The project must directly benefit children, such as by providing educational, healthcare, recreational, or social services aimed at enhancing their overall welfare.
3. Reversionary Interest: The ECT shall require a reversionary interest in any property funded through public funds. This provision grants the ECT the right to reclaim ownership of the property if it is not used in accordance with the terms and conditions set forth in this policy or is no longer used for the benefit of children.
4. Recorded Deed: The property owner shall execute a recorded deed that imposes restrictions on the use of the property, ensuring its continued use for the benefit of children. The recorded deed shall be in compliance with all relevant laws and regulations governing real property transactions.
5. Compliance Monitoring: The ECT shall establish mechanisms to periodically monitor the use of the property to ensure ongoing compliance with the recorded deed and the terms of this policy. Non-compliance may result in the enforcement of the reversionary interest.
6. Prohibition on Private Sale: Property purchased or renovated with public funds shall not be sold privately or transferred to individuals or entities outside the ECT.

e. Responsibilities

1. ECT Board of Directors: The ECT Board of Directors is responsible for overseeing the implementation and adherence to this policy, including approving projects that meet the criteria outlined herein.
2. ECT Administration: The ECT administration shall be responsible for administering the policy, receiving and evaluating project proposals, negotiating terms and conditions, and monitoring compliance with the recorded deed.
3. Property Owners: Property owners who receive public funds from the ECT for the construction, renovation, or acquisition of real property are responsible for adhering to the recorded deed, complying with the terms of this policy, and allowing for monitoring by the ECT.

f. Review and Amendments This policy shall be reviewed periodically by the ECT Board of Directors to ensure its effectiveness and relevance. Amendments may be made as necessary, following appropriate consultation and approval processes.

Section 3. Amendment. Escambia Children’s Trust Policy Manual Part Two, Funding Community Organizations, Section I, Policies pertaining to Funding Community Organizations, creating Subsection 1.5, Funding the Purchase of Motor Vehicles is hereby amended as follows (words underlined are additions and words ~~stricken~~ are deletions):

1.5 Funding the Purchase of Motor Vehicles

a. Purpose. The purpose of this policy is to establish guidelines for the use of public funds from the Escambia Childrens Trust (ECT) to purchase motor vehicles that will be used to benefit children. This policy aims to ensure that such vehicles are used responsibly, maintained properly, and adhere to certain requirements such as insurance coverage, licensed drivers, display of the ECT logo, and a reversionary interest to the Trust. Furthermore, this policy prohibits the private sale of vehicles purchased with public funds for the entire lifespan of the vehicle.

b. Scope. This policy applies to all motor vehicle purchases funded by the ECT for the purpose of benefiting children within the jurisdiction served by the ECT.

c. Definitions.

1. Escambia Childrens Trust (ECT): The governmental entity responsible for managing and allocating funds for the benefit of children in the jurisdiction it serves.

2. Reversionary Interest: A legal provision that grants the ECT the right to reclaim ownership of the vehicle funded by public funds if the vehicle is not used in accordance with the terms and conditions set forth in this policy.

d. Policy Statement. The ECT may allocate public funds to purchase motor vehicles, subject to the following conditions:

1. Benefit to Children: The vehicle must be used to directly benefit children, such as by providing transportation for educational, healthcare, recreational, or social services aimed at enhancing their overall welfare.

2. Proper Insurance: The Provider shall ensure that all vehicles purchased with public funds are adequately insured, covering liability, comprehensive, and collision risks, as required by applicable laws and regulations and as required by the grant award contract with ECT.

3. Licensed Drivers: All vehicles purchased with public funds shall be driven only by licensed drivers who possess a valid driver's license and meet the minimum requirements for operating the vehicle.

4. Display of ECT Logo: Each vehicle purchased with public funds shall prominently display the official ECT logo or any other identifying mark designated by the ECT. This

requirement ensures public recognition of the ECT's involvement in the vehicle's acquisition and use.

5. Reversionary Interest: The ECT shall maintain a reversionary interest in all vehicles purchased with public funds. This provision grants the ECT the right to reclaim ownership of the vehicle if it is not used in accordance with the terms and conditions set forth in this policy or is no longer used for the benefit of children.

6. Prohibition on Private Sale: Vehicles purchased with public funds shall not be sold privately or transferred to individuals or entities outside the ECT. The ECT shall retain oversight of the vehicles for the entire lifespan of each vehicle.

e. Responsibilities.

1. ECT Board of Directors: The ECT Board of Directors is responsible for overseeing the implementation and adherence to this policy, including approving motor vehicle purchases that meet the criteria outlined herein.

2. ECT Administration: The ECT administration shall be responsible for administering the policy, managing vehicle purchases and maintenance, ensuring compliance with insurance requirements, driver qualifications, display of the ECT logo, and monitoring adherence to the reversionary interest provision.

f. Review and Amendments. This policy shall be reviewed periodically by the ECT Board of Directors to ensure its effectiveness and relevance. Amendments may be made as necessary, following appropriate consultation and approval processes.

Section 4. Amendment. Escambia Children's Trust Policy Manual Part Two, Funding Community Organizations, Section I, Policies pertaining to Funding Community Organizations, creating Subsection 1.6, Emergency Funding is hereby amended as follows (words underlined are additions and words ~~stricken~~ are deletions):

1.6 Emergency Funding

a. Purpose. The purpose of this policy is to establish guidelines for the Escambia Children's Trust (ECT) to provide emergency funding to existing grantees and new providers during a declared state of emergency. This policy aims to ensure timely and responsive financial assistance to support the continuity of essential services for children during emergency situations. The policy also defines the role of the Executive Director in overseeing emergency funding and provides a clear definition of what constitutes an emergency.

b. Scope. This policy applies to all emergency funding requests received by the ECT during a declared state of emergency.

c. Definitions.

1. Escambia Childrens Trust (ECT): The governmental entity responsible for managing and allocating funds for the benefit of children in the jurisdiction it serves.

2. Declared State of Emergency: A formal proclamation issued by the appropriate government authority indicating the existence of an emergency situation that poses a significant threat to public safety, health, or welfare.

3. Emergency: A sudden or unforeseen event, occurring during a declared state of emergency, that requires immediate financial assistance to ensure the provision of critical services for the well-being of children.

d. Policy Statement. The ECT may provide emergency funding during a declared state of emergency, subject to the following conditions:

1. Existing Grantees: Existing grantees of the ECT who experience an emergency situation during a declared state of emergency may request emergency funding to mitigate the impact on their ability to deliver critical services to children.

2. New Providers: In exceptional circumstances during a declared state of emergency, the Executive Director of the ECT may authorize emergency funding to new providers who demonstrate an immediate need to deliver essential services to children. This decision shall be based on the urgency of the situation and the potential impact on children's well-being.

3. Oversight by Executive Director: The Executive Director of the ECT shall oversee the process of emergency funding, including the evaluation of requests, determination of eligibility, and allocation of funds.

4. Funding Criteria: To be eligible for emergency funding, existing grantees and new providers must demonstrate that the emergency situation directly impacts the provision of critical services for children. The severity, urgency, and potential consequences of the emergency will be considered in the evaluation of funding requests.

5. Funding Limitations: Emergency funding shall be limited to addressing immediate and urgent needs resulting from the declared state of emergency. The amount of emergency funding allocated shall be determined based on the specific circumstances of each case, availability of funds, and the projected impact on children's well-being.

6. Reporting and Accountability: Grantees receiving emergency funding shall be required to provide regular reports to the ECT on the use and outcomes of the funds. Transparency and accountability in the utilization of emergency funds are essential to ensure their effective and efficient use for the benefit of children.

7. All awards of emergency funding are required to be in line with the ECT needs assessment and strategic plan.

8. All awards of emergency funding must be immediately reported to the Board of Directors and placed as an information item on the agenda for the next occurring Board meeting.

e. Responsibilities.

1. Executive Director: The Executive Director of the ECT is responsible for overseeing the process of emergency funding, including evaluating requests, determining eligibility, allocating funds, and ensuring compliance with this policy.

2. ECT Administration: The ECT administration shall support the Executive Director in implementing the policy, managing the documentation and tracking of emergency funding requests, and providing necessary assistance to grantees and new providers.

f. Review and Amendments. This policy shall be reviewed periodically by the ECT Board of Directors to ensure its effectiveness and relevance. Amendments may be made as necessary, following appropriate consultation and approval processes.

Section 5. Severability. If any section, subsection, paragraph, sentence, clause, phrase, or portion of this Policy is for any reason found void, invalid, unlawful, or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, independent, and severable provision such holding shall not affect the validity of the remaining portions of this Policy.

Section 6. Inclusion in the Policy Manual. It is the intention of the Escambia Children’s Trust that the provisions of this Policy shall become and be made a part of the Escambia Children’s Trust Policy Manual; and that the sections of this Policy may be renumbered or re-lettered in order to accomplish such intentions.

Section 7. Effective Date. This Policy shall become effective upon the date approval is granted by the Escambia Children’s Trust.

DONE AND ENACTED this ____ day of _____, 2023.

By: _____
Tori Woods, Chairperson

RESOLUTION 2023-_____

WHEREAS, the ECT Board finds that the Escambia Children's Trust Bylaws requires amendment from time to time to accurately reflect the policy of the Trust; and

WHEREAS, an amendment to the Bylaws serves a compelling public purpose.

NOW, THEREFORE, BE IT RESOLVED BY THE ESCAMBIA CHILDREN'S TRUST OF ESCAMBIA COUNTY, FLORIDA:

Section 1: Recitals. The foregoing recitals are true and correct and incorporated herein by reference.

Section 2. Amendment. Escambia Children's Trust Bylaws, Article II, Meetings, Section 6, Virtual Committee Meetings, is hereby created as follows (words underlined are additions and words ~~stricken~~ are deletions):

Section 6. Virtual Committee Meetings

a. Purpose.

The purpose of this policy is to establish guidelines for the Escambia Children's Trust (ECT) to conduct committee meetings via Zoom, ensuring compliance with the Florida Sunshine Law while promoting transparency, public access, and active participation. This policy also establishes the requirement for participants to keep their cameras on during virtual meetings to facilitate effective communication and engagement.

b. Scope

This policy applies to all committee meetings conducted by the ECT, including standing committees, subcommittees, and ad hoc committees.

c. Policy Statement

Committee meetings of the ECT may be held via Zoom, a virtual meeting platform, subject to the following conditions:

1. Compliance with Florida Sunshine Law: All committee meetings conducted via Zoom shall fully comply with the requirements outlined in the Florida Sunshine Law, including public access, notice, and record-keeping.

2. Public Attendance at a Physical Location: In accordance with the Florida Sunshine Law, committee meetings conducted via Zoom shall allow for physical attendance by the public at a designated public place where the meeting is held. The physical location shall be accessible and clearly communicated to the public in advance.

3. Publication of Zoom Meeting Information: The ECT shall publish the Zoom meeting information, including the meeting link, date, time, and instructions for joining, on its official website or any

other public platform. This ensures that interested individuals have access to the virtual meeting and can participate remotely.

4. Virtual Meeting Conduct: Committee meetings conducted via Zoom shall follow established meeting protocols, including adherence to the agenda, orderly discussion, and equitable participation by all members and attendees.

5. Quorum Requirement: A quorum for committee meetings shall consist of a minimum of three members. All members may participate virtually, provided they comply with the requirements of the Florida Sunshine Law and this policy.

6. Camera Requirement: Participants in virtual committee meetings shall keep their cameras turned on throughout the duration of the meeting, unless technical or exceptional circumstances prevent them from doing so. This requirement enhances communication, engagement, and the visual presence of participants during the virtual meeting.

7. Recording and Record-Keeping: Committee meetings conducted via Zoom shall be recorded in compliance with applicable laws and regulations. The ECT shall maintain accurate and complete records of the virtual meetings, including any chat messages, shared documents, or other digital materials, as required by law.

d. Responsibilities.

1. Committee Chairperson or Meeting Moderator: The committee chairperson or meeting moderator is responsible for overseeing the virtual committee meeting, ensuring compliance with this policy, facilitating discussion, maintaining order, and enforcing the camera requirement.

2. ECT Administration: The ECT administration shall provide technical support and necessary resources to facilitate smooth and efficient virtual committee meetings. They shall also ensure that all meeting information is published in a timely manner and that records of the meetings are appropriately maintained.

e. Review and Amendments

This policy shall be reviewed periodically by the ECT Board of Directors to ensure its effectiveness and adherence to legal requirements. Amendments may be made as necessary, following appropriate consultation and approval processes.

Section 3. Severability. If any section, subsection, paragraph, sentence, clause, phrase, or portion of these Bylaws is for any reason found void, invalid, unlawful, or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, independent, and severable provision such holding shall not affect the validity of the remaining portions of the Bylaws.

Section 4. Inclusion in the Bylaws. It is the intention of the Escambia Children's Trust that the provisions of these Bylaws shall become and be made a part of the Escambia Children's Trust Bylaws; and that the sections of the Bylaws may be renumbered or re-lettered in order to accomplish such intentions.

Section 5. Effective Date. These Bylaws shall become effective upon the date approval is granted by the Escambia Children’s Trust.

DONE AND ENACTED this _____ day of _____, 2023.

By: _____

Tori Woods, Chairperson