

# ACCOUNTING POLICIES AND PROCEDURES

Updated September 13, 2022



ALLIANCE OF  
COMMUNITY  
ASSISTANCE  
MINISTRIES

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## HOUSTON, TEXAS

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# INTRODUCTION

This manual has been prepared to document the internal accounting procedures for the Alliance of Community Assistance Ministries, Inc. (ACAM). Its purpose is to ensure that assets are safeguarded, that financial statements are in conformity with Generally Accepted Accounting Principles (GAAP) and that finances are managed with responsible stewardship.

All personnel and board members with a role in the managements of ACAM's fiscal operations are expected to uphold the policies in this manual. It is the intention of ACAM that this policy and procedure manual serves as our commitment to proper, accurate financial and operational management and reporting.

Additional attachments and forms serve to compliment these policies and procedures, outlining the process for completing fiscal management of the daily financial operations of ACAM.

## INTERNAL CONTROL STRUCTURE

### CONTROL ENVIRONMENT

The overall attitude of directors and management (i.e. "those charged with governance") regarding the internal control system is of the utmost importance to ACAM to operate within a transparent and accountable environment. Our staff and board are aware that transparency and accountability are a large part of the foundation of a great nonprofit. With this manual, ACAM aims to clarify all of the policies the board has acted upon and the procedures which have been developed by management as ACAM grows and evolves. These policies and procedures are reviewed individually and are therefore organized within this manual so that as a policy changes, updates can be easily implemented into the manual.

### OVERVIEW OF ACCOUNTING SYSTEM

Given the FASB 117 position below in addition to the recommendation of our Certified Public Accounting Firm, the Alliance of Community Assistance Ministries (ACAM) has adopted an accrual basis of accounting, which provides for functional (program) classification of expenses while maintaining natural expense accounts. Furthermore, ACAM will track income and expenses that are designated for specific purposes so that Net Assets can be properly classified for the year-end audited financial reports between Unrestricted, Temporarily Restricted and Permanently Restricted Net Assets.

ACAM's accounting structure is carefully built, focusing on the importance to properly code all fields of an accounting transaction: Bank Account, General Ledger Account, Class, Grantor, Grant Item, Customer Types and Vendor Types. Lack of attention to these details will result in an improper accounting database and essentially incorrect reports and financials. Full effort should be given to

code each and every transaction in accordance with the planned structure. Budgeting should comply as well.

### **CONTROL PROCEDURES (SEPARATION OF DUTIES)**

The following list describes the positions responsible for functions that ensure the appropriate separation of duties for the purpose of ensuring fiduciary oversight.

#### **Chief Executive Officer (CEO)**

1. Reviews and approves all final financial reports before release to Board of Directors.
  2. Reviews and approves all disbursement requests prior to check run.
  3. Supervises the development of RFPs for accounting and auditing services and reviews subsequent proposals for services.
  4. Is authorized by the Board of Directors to make, execute, endorse, and deliver in the name of and on behalf of the corporation, but shall not be limited to, any and all written instruments, agreements, documents, execution of deeds, powers of attorney, transfers, assignments, contracts, obligations, certificates and other instruments of whatever nature entered into by this Corporation. Upon request, additional individual resolutions can be submitted to the Board of Directors for consideration.
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1. With the Board of Directors and staff, the CEO supervises the development of the annual budget which is reviewed and approved by the Board of Directors.
  2. Reviews and signs all checks or requests board approved check signers to do so in his/her absence.
  3. Receives all incoming cash receipts, to be reconciled monthly, and reviews for accuracy before preparing deposit slips for bank deposits.
  4. Final approval on all personnel matters including employee timesheets, personnel decisions, including; hiring, firing, promotions, and raises.
  5. Assigns accounting-related duties to ACAM staff.

#### **Contract Accountant(s) or Firm(s)**

1. Review and post invoice entries.
2. Review and post cash receipt entries.
3. Downloads payroll reports from ACAM's Professional-Employer Organization (PEO) into QuickBooks.

4. Reconciles bank statements monthly prior to the production of financial statements.
5. Identify and reconcile stale dated checks.
6. Prepares monthly reconciliation report of fund transactions, including; account balance sheet, income statement, budget to actual statement, and general ledger.
7. Develops financial reports for review by CEO and staff.
8. Provides Chief Executive Officer and staff with financial information for budget preparation.

### **Reporting & Operations Manager**

1. Receives, reviews, prepares and transmits payroll to ACAM's PEO.
2. Verifies, codes, and compiles invoices for submission to Contract Accountant.
3. Collects and reviews time sheets to submit to Nextep for approval. Transmit to Nextep once approved by the Chief Executive Officer.
4. Works with the contract accountant or firm to produce financial reports as requested by the CEO.
5. Monitors checks and online payments for program fees and trainings for the CEO to file with other deposits.

### **Accounting Assistant**

1. Opens, dates and distributes mail when necessary and receives cash and receipts from program areas. Stamps "Received" and dates before submitting them to the CEO to prepare deposits.

### **ACCOUNTING CYCLE**

ACAM's fiscal year is January 1 to December 31 of every year. The bank account is reconciled monthly and presented at board of director meetings quarterly.

### **ACCRUAL ACCOUNTING**

ACAM records revenue when it receives a solid commitment of funding, including but not limited to an executed contract or grant agreement. ACAM records an expense as soon as a complete invoice is received.

### **IRS FORM 990**

ACAM has memorialized a process for preparation and review of the Form 990 and its distribution to all board members of the Alliance of Community Assistance Ministries, Inc. (ACAM) prior to filing

with the Internal Revenue Service. Please see the Policy Appendix for our Review of **IRS Form 990 Policy**.

## JOINT VENTURES

Due to the collaborative nature of ACAM, the organization has developed a policy that is intended to include (but is not limited to) ventures that (1) exploit specific assets, (2) serve support functions for ACAM, (3) serve ancillary activities of ACAM, or (4) involve the transfer of all or significant parts of the assets of ACAM. Please see the Policy Appendix for our **Joint Venture Review Policy**.

# REVENUE, ACCOUNTS RECEIVABLE AND CASH RECEIPTS

## CASH RECEIPTS AND BANK DEPOSITS

ACAM receives general deposit checks, electronic transfers, cash, and checks for agency fees and contributions. The Communication & Administration Specialist receives general deposit checks to date stamp when received. Cash and checks are then delivered to the Chief Executive Officer for processing. Copies are made for donor recognition and deposit files.

## STALE CHECK POLICY

ACAM's policy adheres to the Bank's policy of not honoring checks presented after six (6) months for payment without authorization from ACAM. Further, after six (6) months, stale checks will be written off. The contracted accounting services provider will provide ACAM with a statement of stale checks each month for internal reconciliation.

## PROCESSING AND RECORDING RECEIPTS

The CEO prepares the deposit slip, copies checks or evidence of electronic receipts for the cash receipts file, and makes, or directs to make, the deposit within three business days following receipt. The CEO reviews the checks and records each transaction on a deposit log in Excel. The CEO prepares a deposit slip and makes copies of the checks and deposit slips that are retained by ACAM prior to bank deposit.

Once reviewed and recorded, deposits are sent to the bank. The contracted accounting service provider reconciles the accounts using an original copy of the bank statement obtained directly from ACAM's bank.

## REVENUE RECOGNITION AND ACCOUNTS RECEIVABLE

When all of the month's cash receipts have been recorded, the contracted accounting service representative reviews the entries and compares them with the bank statement. The contractor posts all entries in accordance with distributions provided by the CEO. S/he then enters them into QuickBooks to be reconciled to the accounting Cash Receipts entry at month end.

## CONTRIBUTIONS

When all of the month's cash receipts have been recorded, the CEO reviews the entry with its supporting documentation for approval and posting. Copies of checks for donations and foundation awards are maintained by the CEO within individual foundation and donor files, as well as a central deposit file. Please see the Policy Appendix for ACAM's **Gift Acceptance Policy**.



# EXPENSES, ACCOUNTS PAYABLE AND CASH DISBURSEMENTS

## PROCESSING ACCOUNTS PAYABLE

The Compliance & Reporting Manager (CRM) receives invoices and check requests from staff members, contractors, and the Communication & Administration Specialist. Any invoices received through U.S. Mail are date stamped on the date of receipt by the Communication & Administration Specialist. The CRM verifies the total reimbursement(s), completes tabulations, adds the accounting codes, and enters the documents into an Excel sheet Check Request Form to be submitted to the CEO for signed approval. Any check more than \$10,000.00 require the signature of two of the following directors/officers: the ACAM CEO, the ACAM Board Chairman or the Secretary/Treasurer. Checks for the CEO are reviewed and approved by the Board Chairman or the Secretary/Treasurer.

The Chief Executive Officer (CEO) and/or Board Chairman review the package, approve the entries, and return to the CRM. The CRM copies all documentation; ACAM retains the original version, and scans and submits the original documentation (either individually or as a batch) to the contracted accounting service provider for processing via electronic mail.

ACAM submits monthly financial statements and general ledger postings by fund account following the submission of the reimbursement requests to the Board of Directors. ACAM staff verifies the financial transactions posted on the ledger with copies of the expense statements and account receivables maintained by the organization.

Not less than once a week, the CRM prints checks after invoices are posted to QuickBooks by the contracted accounting services provider. The CRM runs an open invoice report from QuickBooks and marks the items to be paid. After the checks are produced, the CRM posts them and verifies the check run total and accounts for the check numbers used.

The CRM prepares the checks with supporting documents to give to the CEO for signature. The authorized signatories sign checks when the CEO is not available. Checks greater than \$10,000 require two authorized signatures. Checks payable to the benefit of the CEO being less than or equal to \$10,000.00 shall be signed by an authorized signatory other than the CEO. Checks greater than \$10,000 to the benefit of the CEO require two authorized signatures other than that of the CEO. The CRM mails or distributes the signed checks and files copies in the paid vendor files.

## EXPENSE ALLOCATIONS

All distributions by class/department are completed at the time of check request. Expenses associated with specific departments, projects, or grants are charged to that specific area when expensed.

The general operating expenses are allocated among the funding areas based on the allocation methods outlined in the Cost Allocation Plan (9/26/2022). All operating expenses shall be allocated at the time of the check request.

Expenses associated with specific departments, projects, or grants are charged to that specific area when expensed in the general ledger. In QuickBooks, payroll expenses are allocated based on personnel time committed to program area completion, allocated across all departments, programs, grants, and funding sources as follows:

1. Management 01
2. Fundraising 02
3. Org. & Network Development-OND (Capacity Building) 03
  - a. In-Network Partner OND (Member Capacity Building) (03-301)
  - b. Non-Member Capacity Building – PACE (03-302)
  - c. Resiliency FIRST (03-303)
4. Training & Networking (T&N) 04
  - a. Member T&N (04-401)
  - b. Funder/Member Events (04-402)
5. Community Ed. & Outreach 05
6. Homelessness Prevention (HP) 06
  - a. HP Public (06-601)
  - b. HP Private (06-602)
7. Collaborative Initiatives 07
  - a. Disaster Private (07-706)
  - b. EFSP (07-709 series)
  - c. ERA-HSS2 (711-1 & 711-2)
8. ESG 08
  - a. ESG 13 (08-815-1); ESG 14 (08-816-1)
  - b. ESG Match (08-815-2); (08-816-2)
9. Management Support Services 09
  - a. MSO Services (09-902)
10. Employment 10
  - a. REACH public (10-1001-1)
  - b. REACH private (10-001-2)
  - c. OY Workforce public (NextGen 2021-22) (10-1002-1)
  - d. OY Workforce private (NextGen 2021-22) (10-1002-2)
  - e. OY Workforce public (NextGen 2022-23) (10-1002-3)
  - f. OY Workforce private (NextGen 2022-23) (10-1002-4)
11. Youth Collab. (GHOYC) 11
  - a. Youth Collab (GHOYC) 1101-1
  - b. OYC Fundraising 11-02-1
  - c. OYC Lived Experience 1103-1
  - d. OYC Training 1104-1

## TRAVEL AND BUSINESS EXPENSES

The Board of Directors of ACAM, Inc. recognizes that board members, officers, and employees (“Personnel”) of ACAM may be required to travel or incur other expenses from time to time to conduct business and to further the mission of this nonprofit organization. ACAM has developed a policy to ensure that (a) adequate cost controls are in place, (b) travel and other expenditures are appropriate, and (c) to provide a uniform and consistent approach for the timely reimbursement of authorized expenses incurred by Personnel. Please see the Policy Appendix for our **Expense Reimbursement Policy**.

## CREDIT CARDS

ACAM has developed a Credit Card Policy Agreement to explain the ownership and appropriate use of credit cards by designated card holders. Please see the Policy Appendix for our **Credit Card Policy Agreement**.

## PROCUREMENT

The purpose of the Procurement Policy is to set forth standards in establishing procedures for the procurement of supplies and other expendable property, equipment, real property and other services to ensure ACAM’s purchases are obtained in an effective manner and, where necessary in compliance with the provisions of applicable Federal and State statutes and OMB requirements. A request for bid must be submitted to three potential vendors for any purchase of a single item with a value equal to or greater than \$5,000.00. ACAM does not capitalize purchases with a value of less than \$5,000.00. Only items equal to or above \$5,000.00 are depreciated. Please see the Policy Appendix for our full **Procurement Policy**.

# PAYROLL – FINANCIAL PROCEDURES

## TIME KEEPING

ACAM has a contract with Nextep, a Professional-Employer Organization (PEO), to manage payroll and benefits for ACAM employees. All benefits are through Nextep with the exception of medical coverage which is through Blue Cross. Personal time off (PTO) accumulates each pay period, with a maximum annual carry over balance as defined in the ACAM Personnel Manual.

The Nextep Employee Payroll Database is used to summarize the full time equivalents (FTEs) for all employees, allocated across all departments/programs listed on Page 7 of these procedures.

All time is recorded and allocated by the employee in accordance with time actually spent on work in a particular program area. Paid Time Off (PTO) and holiday pay are allocated by Nextep utilizing an auto-distribution formula, which is based on a time-study for each ACAM position and provided to Nextep by the CRM. To avoid extensive adjusting entries for payroll, ACAM has adopted a business model whereby employees are required to document all of their time by class/program. In addition, payroll will be issued approximately five (5) days after the close of the pay period to allow for the documentation and processing of timesheets, which are based on real time program accountability. Each employee's supervisor reviews and approves each timesheet.

## SALARY ALLOCATIONS

Expenses associated with specific departments, projects, or grants are charged to that specific area when expensed in the general ledger. Once the FTE assignments are completed, actual expenses are used for each employee's salary, benefits, and other payroll related expenses. Payroll expenses are allocated based on personnel time committed to program area completion.

## PAYROLL PROCESSING

After the timesheet data for the period is allocated and submitted to Nextep, Nextep staff processes and sends ACAM's payroll receipt to the CRM for review. The CRM obtains approval from the CEO and submits said approval back to Nextep.

After approval, Nextep issues payment to the employees through funds made available by a reverse wire transfer with ACAM's banking institution. Once payroll is processed CRM sends a QuickBooks Inuit Interchange Format file (iif) to the accounting contractor for import into ACAM's QuickBooks company file.

Retirement Benefits-SEP-IRA Contribution are completed no less than quarterly for employees who are eligible as outlined in the ACAM Personnel Manual.

## SARBANES OXLEY ACT

ACAM voluntarily incorporates certain provisions of the Sarbanes Oxley Act that make good governance sense, including policies regarding:

### INSIDER TRANSACTIONS AND CONFLICTS OF INTEREST

ACAM understands and fully complies with all laws regarding compensation and benefits provided to directors and executives (including "intermediate sanctions" and "self-dealing" laws). ACAM will not provide personal loans to directors and executives. In cases in which the board feels it is necessary to provide a loan, however, all terms will be disclosed and formally approved by the board, the process will be documented, and the terms and the value of the loan will be publicly disclosed. Please see the Policy Appendix for our **Conflict of Interest Policy**.

### INDEPENDENT AND COMPETENT AUDIT COMMITTEE

ACAM is committed to conducting an annual external financial audit and establishing a separate audit committee of the board. Board members on the audit committee will be free from conflicts of interest and will not receive any compensation for their service on the committee. At least one "financial expert" will serve on the audit committee. The audit committee will select and oversee the auditing company and review the audit. The full board is required to approve audit results.

### RESPONSIBILITIES OF AUDITORS

ACAM will request proposals at least every three years for auditing services. ACAM will avoid any conflict of interest in staff exchange between audit firm and organization. ACAM will require disclosure to the audit committee of critical accounting policies and practices. ACAM's audit committee will oversee and enforce the Conflict of Interest Policy.

### CERTIFIED FINANCIAL STATEMENTS

The CEO and CRM sign off on all financial statements (either formally or in practice), including Form 990 tax returns, to ensure they are accurate, complete, and filed on time. The board reviews and approves financial statements and Form 990 tax returns for completeness and accuracy.

### DISCLOSURE

ACAM discloses its Form 990 and 990-PF on Guidestar.org, a current and easily accessible public platform. ACAM files its 990 and 990-PF Forms in a timely manner. ACAM may also disclose audited financial statements on Guidestar.org. ACAM electronically files its Form 990. ACAM may also provide access to the completed Form 990 on ACAM's website [www.acamweb.org](http://www.acamweb.org).

## WHISTLE-BLOWER PROTECTION

ACAM has adopted a formal process to deal with complaints and prevent retaliation. ACAM will investigate employee complaints and correct any problems or explain why corrections are not necessary. Please see the Policy Appendix for ACAM's **Whistleblower Policy**.

## DOCUMENT DESTRUCTION

ACAM has a written, mandatory document retention and periodic destruction policy, which includes guidelines for electronic files and voicemail. If an official investigation is underway or even suspected, document purging will cease in order to avoid criminal obstruction. Please see the Policy Appendix for our **Document Retention and Destruction Policy**

# FINANCIAL STATEMENTS

## ANALYSIS OF FASB 117 (FINANCIAL ACCOUNTING STANDARDS BOARD)

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FASB 117 “Financial Statement of Not-For-Profit Organization” amends FASB 95 “Statement of Cash Flows”, to extend its provisions to not-for-profit entities and requires voluntary health and welfare organizations to continue, and encourages other not-for-profit organizations to provide a Statement of Functional Expenses. While the FASB illustrates financial statement formats in its appendix, it does not require any specific statement format.

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It does however require a complete set of financial statements to include:

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- A Statement of Financial Position (Balance Sheet)
  - A Statement of Activities (Income Statement)
  - A Statement of Functional Expenses (Program and Service Expenses)
  - A Statement of Cash Flows
  - Financial Statement Disclosures (Notes to Financial Statements)
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Some key definitions included in the statement are:

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Restrictions can only legally be placed on funds by their donors. The shape and form of the restrictions are defined in the “gift instrument.” The gift instrument is the document that establishes the use of the donated funds. Examples of gift instruments include award letters from foundations and letters from individual donors.

- Unrestricted: These funds are free from any external restrictions and available for general use. Many individual contributions are unrestricted, as are general operating and unrestricted grants.
- Temporarily Restricted: These funds have donor-imposed restrictions that can be fulfilled in one of two ways – passage of a defined period of time (time restriction) or by performing defined activities (purpose restriction). These funds most often come from a grant received to operate a specific program or project or individual contributions given with the intent of supporting a particular program or campaign.
- Permanently Restricted: These funds are restricted by the donor for a designated purpose or time restriction that will never expire. The intent is that the principle balance of the contribution will remain as an investment forever, and the nonprofit will utilize the interest and investment returns, such as with an endowment.

In a not-for-profit (NFP) organization like ACAM, the amount of total assets minus total liabilities is actually reported as net assets in its statement of financial position. The changes in these net asset classifications are reported in the organization’s statement of activities.

The net asset section for ACAM is divided into three classifications:

- Unrestricted Net Assets – The part of net assets that is neither permanently restricted nor temporarily restricted by donor-imposed stipulations.

- Temporarily Restricted Net Assets – The part of the net assets resulting (a) from contributions and other inflows of assets, the use of which are limited by donor-imposed stipulations that either expire after the passage of time or can be fulfilled and removed by actions of the organization pursuant to those stipulation, (b) from other asset enhancements and diminishments subject to the same kinds of stipulations, and (c) from reclassification to (or from) other classes of net assets as a consequence of donor-imposed stipulations, their expiration by passage of time, or their fulfillment and removal by actions of the organization pursuant to those stipulations.
- Permanently Restricted Net Assets – The part of the net assets resulting (a) from contributions and other inflows of assets whose use by the organization is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the organization, (b) from other asset enhancements and diminishments subject to the same kinds of stipulation, and (c) from reclassification from (or to) other classes of net assets as a consequence of donor-imposed stipulations.
- Temporarily Restricted Support – Donor restricted revenues or gains from contributions that increase temporarily restricted net assets.
- Permanently Restricted Support – Donor restricted revenues or gains from contributions that increase permanently restricted net assets.
- Unrestricted Support – Revenues or gains from contributions that are not restricted by donors.
- Permanent Restriction – A donor-imposed restriction that stipulates that resources be maintained permanently but permits the organization to use or expend part or all of the income (or other economic benefits) derived from the donated assets.

## STATEMENT OF FINANCIAL POSITION

- A Statement of Financial Position must be prepared for the organization as a whole presenting the total amounts of assets, liabilities and net assets.
- Either the Statement of Financial Position or the notes must provide information on liquidity, financial flexibility (i.e. restrictions) and interrelationship of assets and liabilities.
- The information should be aggregated into reasonably homogenous groups. Cash or other assets that are received with donor-imposed restrictions should not be classified with cash or other assets that are unrestricted and therefore, not available for current use.
- Information about liquidity can be provided by listing assets and liabilities in order of liquidity, classifying assets and liabilities in accordance with ARB 43 (Accounting Research Bulletin), or disclosure in footnotes.
- The amounts of each of the following classes of assets, based on the existence or absence of donor-imposed restrictions, must be included:
  - Unrestricted Net Assets
  - Temporarily Restricted Net Assets
  - Permanently Restricted Net Assets



## STATEMENT OF ACTIVITIES

- Like the Statement of Financial Position, the Statement of Activities should focus on the organization as a whole. Although fund accounting and reporting by fund groups is not advocated under FASB 117, the Statement does not preclude a not-for-profit entity from providing this disaggregated information by fund groups as supplemental data.
- The Statement of Activities must report the change in unrestricted net assets, temporarily restricted net assets, permanently restricted net assets and total net assets.
- Revenues increase unrestricted net assets, temporarily restricted net assets, or permanently restricted net assets depending upon the absence or existence of donor-imposed restrictions.
- Gains or losses on investments will generally increase or decrease unrestricted net assets, unless their use is limited by donor-imposed restrictions.
- The removal, expiration or satisfaction of a donor imposed condition or restriction will result in a transfer between temporarily restricted, permanently restricted or unrestricted support.

Although FASB 117 does not encourage or discourage further classifications such as operating and non-operating etc., if the organization uses such terms these classifications must, at a minimum, be included in a financial statement that reports the change in unrestricted net assets for the period.

## STATEMENT OF FUNCTIONAL EXPENSES

Expenses result in decreases in unrestricted net assets. Expenses must be disclosed by functional classification either in the Statement of Activities or in the footnotes:

- Program Services generally include goods and services distributed to beneficiaries, customers, or members to fulfill the purpose of a mission of the organization.
- Management and General activities include general oversight, business management, general record keeping, budgeting, finance and other management and administrative activities.
- Fund Raising activities include publicizing and conducting fund-raising campaigns, maintaining donor mailing lists, conducting special fund-raising events, preparing and distributing activities involved in the solicitation of contributions from individuals, foundations, government agencies, etc.
- Membership Development activities include soliciting for prospective members and membership dues, membership relations, and similar activities.

Voluntary health and welfare organizations are required to continue to report information about expenses by functional and natural classification in matrix format in a separate financial statement. Other not-for-profit entities are required to report functional classifications and are encouraged, but not required, to provide information about the natural classification of expenses.

## STATEMENT OF CASH FLOWS

FASB 117 amends a number of sections of FASB 95 to require not-for-profit organizations to include a Statement of Cash Flows as part of a complete set of financial statements.

## FINANCIAL STATEMENT DISCLOSURES

Both FASB 116 and 117 require specific disclosures for not-for-profit entities and encourage certain other financial statement disclosures.

- Contributed Services – An entity that receives contributed services must describe the programs or activities for which the services were used, the nature and extent of the contributed services received during the period and the amount recognized as revenue. Entities are encouraged to disclose the fair value of contributed services received but not recognized as revenues, if it is practical to do so.
- Temporarily Restricted Support – If an entity reports unrestricted support, contributions with donor-imposed restrictions that are met in the same accounting period, it must disclose this in its accounting policy note and must apply this policy consistently from period to period.
- Gifts of Long-Lived Assets – If an entity receives a gift of a long-lived asset that does not contain a stipulation as to how long the asset must be used; it is reported as restricted support if it is the organization's policy to imply a time restriction over the useful life of the asset.
- Promises to Give – Recipients of unconditional promises to give must disclose the amounts of promises receivable in less than one year, one year to five years, and more than five years as well as the amount of allowance for uncollectible promises receivable.
- Conditional Promises to Give – Recipients of conditional promises to give must also disclose the total amounts promised and a description and amount for each group of promises possessing similar characteristics.
- Contributions of Works of Art or Collections Items – There are a number of disclosure requirements concerning contributions of this type.
- Permanent and Temporary Restrictions – Information about the nature and amount of different types of permanent and temporary restrictions must be provided including distinguishing between permanent restrictions of holdings of assets which stipulate that they must be used for a specific purpose, preserved, or not sold and assets donated with the stipulation that they be invested to provide a permanent source of income (permanent endowment).
- Board Designations – Board-designated endowments of unrestricted assets must be classified with unrestricted net assets but disclosed either in the body of the financial statement or in the notes as board designated.
- Depreciation – FASB 93 requires a not-for-profit entity to provide the same information concerning depreciation as for-profits do.

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FASB 117 was issued in June 1993 and has an effective date for fiscal years beginning after December 15, 1994. For those not-for-profits organizations that have less than \$5 Million in total assets and less than \$1 Million in annual expenses, the effective date is delayed until fiscal years beginning after December 15, 1995

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# POLICY APPENDIX OF ACAM APPROVED ACCOUNTING POLICIES

REVIEW OF IRS FORM 990 POLICY (APPROVED 4/10/12)

JOINT VENTURE POLICY (APPROVED 2/14/12)

GIFT ACCEPTANCE POLICY (APPROVED 2/14/12)

EXPENSE REIMBURSEMENT POLICY (APPROVED 2/14/12)

CREDIT CARD POLICY AGREEMENT (APPROVED 2/14/12)

PROCUREMENT POLICY (APPROVED 2/14/12; REVISED 10/18/19)

CONFLICT OF INTEREST POLICY (APPROVED 2/14/12; REVISED 9/20/21)

WHISTLEBLOWER POLICY (APPROVED 9/13/11; REVISED 8/24/21))

DOCUMENT RETENTION AND DESTRUCTION POLICY (APPROVED 2/14/12)

COST ALLOCATION PLAN (APPROVED 2/14/12; REVISED 12/8/20; REVISED 9/26/22)

PHYSICAL & VIRTUAL GIFT CARDS AND DIGITAL PAYMENTS POLICY (APPROVED 7/18/22)

INVESTMENT POLICY STATEMENT (APPROVED 8/11/23)

ELECTRONIC FUNDS TRANSFERS (EFT) BETWEEN ACCOUNTS (APPROVED 9/6/23)



## **Alliance of Community Assistance Ministries, Inc. (ACAM) Form 990 Review Policy and Guidance**

### **Article I Purpose**

The purpose of this policy and attached guidelines is to create a process for preparation and review of the Form 990 and its distribution to all board members of the Alliance of Community Assistance Ministries, Inc. (ACAM) prior to filing with the Internal Revenue Service. This process will provide the board members the opportunity to review the Form 990 while also ensuring that annual filing deadlines may be met.

### **Article II Procedure for Preparation and Review of Form 990**

1. **Preparation of Form 990.** ACAM's Chief Executive Officer is responsible for the timely preparation of Form 990. She will confer with accountants and legal counsel of the Organization with respect to drafts of the Form 990.
2. **Review of Form 990 Before Filing.** Copies of the completed draft Form 990 (including required schedules) will be distributed to the Board of Directors in either electronic or paper form for review and comment. Any questions or concerns will be noted and addressed, and management staff will ensure that changes are incorporated into the Form 990 as appropriate.

### **Article III Distribution of Form 990 to All Members of Governing Body**

After all input has been appropriately addressed, the final version of the Form 990 (with required schedules) will be distributed to every voting member of ACAM's Board of Directors prior to filing with the IRS. The final form may be distributed either in paper or electronic form in any manner deemed appropriate by the Chair of the Board of Directors.

### **Article IV Filing of Form 990**

After the final version of the Form 990 has been distributed pursuant to Article III above, management staff will cause the final Form 990 to be filed as required.

**Article V**  
**Guidance for Board Review of Form 990**

The Internal Revenue Service (IRS) believes that the governing board of an exempt organization must diligently work to ensure that the organization fulfills its exempt mission and to minimize the likelihood that its income or assets will be diverted improperly to nonexempt purposes.

A properly prepared Form 990 contains the information necessary for a board member to become well-informed about (1) the organization’s activities and (2) the applicable tax laws. An understanding of both these areas is essential in order for a board member to effectively perform his or her fiduciary responsibilities. For this reason, Form 990 asks whether the tax return was furnished to the board prior to filing. In addition, all organizations must describe the process, if any, that the board uses to review Form 990. The checklist below is furnished to ACAM’s governing board only to assist with the procedures in Article II above. The checklist is in conformance with IRS Publication 4221, Compliance Guide for 501 (c)(3) Public Charities.

	YES	NO
<b>PART I: SUMMARY</b>		
1. Is the brief description of ACAM’s mission or most significant activities candid and positive?		
2. Does current year data (lines 8-19) compare favorably or unfavorably with the prior year?		
<b>PART III: STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS</b>		
1. Does the information in Part III explain to the user of Form 990 (e.g., the IRS, prospective donors, or investigative reporters) why ACAM exists, based on its key activities, giving ACAM an opportunity to promote its accomplishments?		
2. Has the mission statement on line 1 been adopted by the board of directors?		
3. Are the three program services described consistent with ACAM’s mission statement and information on its website?		
4. Are the three program services described in sufficient detail to present a comprehensive and accurate portrayal of ACAM to the Form 990 user?		
<b>PART IV: CHECKLIST OF REQUIRED SCHEDULES</b>		
1. Should the board consider changes to its policies and procedures, especially if question 25a or b, 26, or 27 is answered “Yes”?		
<b>PART V: STATEMENTS REGARDING OTHER IRS FILINGS &amp; TAX COMPLIANCE</b>		

1. Have paid personnel been properly classified as employees rather than independent contractors to avoid payroll tax problems?		
2. Were payroll taxes deposited with the IRS on a timely basis?		
3. If applicable, were other filings or notifications indicated in Part V made timely since any failure indicates an administrative shortcoming?		
4. If ACAM is a charitable organization and received more than \$250 from a single donor, was a receipt furnished timely to enable the donor to substantiate his or her charitable contribution deduction?		
5. Is ACAM potentially subject to unrecorded penalties and interest (e.g., if line 3b, 6b, 7b, or 7h is answered "No," or if line 5a, 5b, 8, 9a, or 9b is answered "Yes")?		
<b>PART VI: GOVERNANCE, MANAGEMENT, &amp; DISCLOSURE</b>		
1. If ACAM does not have the written policies indicated by lines 12a, 13, 14, and 16b, should the board consider adopting any of these?		
2. If line 15a or 15b is answered "No," should the board consider a change in the procedures for setting compensation to minimize the future risk of challenge by the IRS {and exposure to the tax on excess benefits since ACAM is a Section 501 (c)(3) entity?}		
3. If ACAM is conducting activities in multiple states, is it properly registered in those states and satisfying their filing requirements?		
<b>PART VII: COMPENSATION OF OFFICERS, DIRECTORS, TRUSTEES, KEY EMPLOYEES, HIGHEST COMPENSATED EMPLOYEES, AND INDEPENDENT CONTRACTORS</b>		
1. Does the compensation of those listed in Part VII appear justifiable in view of the organization's activities and their responsibilities? (Note: Revisit Part VI, lines 15a and 15b, especially if either is answered "No.")		
<b>PART VIII: STATEMENT OF REVENUE</b>		
1. Does the revenue data indicate too much reliance on a source that could be jeopardized by a weak economy, declining stock market, or other external factor (i.e., should alternative revenue sources be considered or emphasized)?		
2. Too much unrelated business income {as reported in column (C)} could risk an organization's tax exempt status. Is column (C) insignificant as compared to totals in column (A)?		
<b>PART IX: STATEMENT OF FUNCTIONAL EXPENSES</b>		
1. Are compensation and benefits (lines 5 through 9) consuming too much of ACAM's revenue?		
2. Are certain expenses justifiable (e.g., lines 11a through 11g, 12, 17, 18, and 19)?		

3. Are nonfixed expenditures in excess of a specified amount (e.g., \$1,000) subject to prior approval by appropriate officer?		
4. If completed, do column (C) (management and general expenses) and column (D) (fundraising expenses) totals appear excessive relative to total program service expenses in column (B)?		
<b>PART X: BALANCE SHEET</b>		
1. Is an excessive amount of cash (line 1) being kept in noninterest-bearing accounts?		
2. Are resources being diverted from program service activities to related party loans (lines 5 and 6)?		
3. Is oversight being exercised over related party loans to ensure adequate collateral, interest, timely repayment, etc.?		
4. Are notes and loans receivable (line 7) adequately collateralized and monitored for timely repayment?		
5. Does an increase, if any, in accounts payable and accrued expenses (line 17) during the year suggest potential cash flow problems?		
6. Do liabilities include a delinquency in depositing withheld payroll taxes (which if not ultimately paid could result in personal liability for officers or perhaps directors)?		
7. If ACAM has restricted assets (lines 29 and 29), are the restrictions being observed?		
<b>PART XI: FINANCIAL STATEMENTS &amp; REPORTING</b>		
1. If ACAM does not have an independent audit (line 2b), are its financial statements sufficiently large to make an independent audit prudent? Is ACAM under any audit regulations and requirements?		
2. If audited, do the auditor's report to the group responsible for overseeing the financial reporting process (such as an audit or finance committee or a governing board)?		
3. If audited, does each member of the group responsible for overseeing the financial reporting process receive a copy of the auditor's report and any additional communications (such as internal control communications or a management letter)?		
4. If a management letter prepared by the auditor was received, did ACAM adopt the recommendations it contained?		
<b>SCHEDULE A: (FORM 990 OR 990-EZ) PUBLIC CHARITY STATUS AND PUBLIC SUPPORT</b>		
1. Does the data (Part II, Section C, or Part III, Sections C and D) indicate that the organization is in danger of becoming a private foundation rather than remaining a public charity?		
2. Are procedures in place to monitor public charity status to ensure the		

organization maintains its public charity status (instead of becoming a private foundation)?		
<b>SCHEDULE C: (FORM 990 OR 990-EZ) POLITICAL CAMPAIGN AND LOBBYING ACTIVITIES</b>		
1. If exempt under IRC Sec. 501 (c)(3), are policies followed to prevent participation in a political campaign that could jeopardize tax-exempt status?		
2. If there is a tax liability on line 1 of Part I-B because of a political expenditure, should policies be changed to avoid future liability?		
3. Since ACAM is a Section 501 (c)(3) entity that is eligible to make the lobbying expenditure election but has not, should it do so to minimize the likelihood that exempt status will be lost because of excessive lobbying (see Part II-A)?		
<b>SCHEDULE J: COMPENSATION INFORMATION</b>		
1. If any box on line 1a is checked, is the economic benefit warranted or should it be reexamined?		
2. Does ACAM require strict accountability for expense reimbursements to prevent abuse (line 1b and 2)?		
3. Is ACAM setting compensation based on one or more methods indicated by the box descriptions for line 3? (Note: The more boxes, the better.)		
4. If any of the questions on lines 4 through 8 are answered "Yes," do the indicated transactions suggest that changes should be made in nonfixed compensation arrangements to avoid windfall payouts?		



## **Alliance of Community Assistance Ministries, Inc. Joint Venture Review Policy**

### **Article I Purpose**

The purpose of this policy is to safeguard the Alliance of Community Assistance Ministries, Inc.'s (ACAM) assets and tax-exempt status with respect to joint venture arrangements (Joint Venture). It requires an evaluation of any participation in Joint Venture and applies to any joint ownership or contract as further described in this policy.

### **Article II Activities Subject to This Policy**

For purposes of this policy, a Joint Venture includes any arrangement, whether pursuant to a contract or an organizational structure, by which the parties agree to (1) jointly undertake any activity or business enterprise, or (2) the joint ownership of any asset or investment. This policy applies to relationships with entities and activities regardless of their tax-exempt status. This policy is intended to include (but is not limited to) ventures that (1) exploit specific assets, (2) serve support functions for ACAM, (3) serve ancillary activities of ACAM, or (4) involve the transfer of all or significant parts of the assets of ACAM.

### **Article III Approval and Management of Joint Activities**

Before agreeing to participate in any Joint Venture, ACAM will negotiate a written agreement setting out the terms and conditions of the Joint Venture. In order to protect ACAM's tax-exempt status with respect to the venture, the agreement shall provide, *inter alia*, that

- ACAM's control over the Joint Venture shall be sufficient to ensure that it will further its tax-exempt purposes;
- priority will be given to ACAM's tax-exempt purposes over maximizing profits for the other venture members;
- all contracts with ACAM's Joint Venture partner(s) shall be negotiated at arm's length and for no more than fair market value; and
- any activity that would jeopardize ACAM's tax-exempt status is prohibited.

If there is any question as to the risk to ACAM's exempt status related to proposed participation in a Joint Venture, the decision to participate in the venture shall be made only after consultation with legal and/or tax counsel.



## **Alliance of Community Assistance Ministries, Inc. (ACAM) Gift Acceptance Policy**

The Alliance of Community Assistance Ministries, (ACAM), a nonprofit corporation organized under the laws of the State of Texas, encourages the solicitation and acceptance of gifts to ACAM for purposes that will help the organization to fulfill its exempt purposes. The following policies and guidelines govern the organization's acceptance of gifts to or for the benefit of the organization's programs.

The exempt purpose and approved mission of ACAM is to provide social purpose ministries with a professional forum to strengthen their capacity to fulfill their missions. ACAM's vision of "a high-performing network of social purpose ministries, funders, and community partners, who, through synergistic alliances will effect change for those in need" drives the mission.

### **Article I Purpose**

The Board of Directors of the Alliance of Community Assistance Ministries, Inc. (ACAM) and its staff solicit current and deferred gifts from individuals, corporations, foundations, and partnerships to secure the future growth and mission of the organization. These policies and guidelines govern the acceptance of gifts by the organization and provide guidance to prospective donors and their advisors when making gifts to ACAM. The provisions of these policies apply to all gifts received by ACAM for any of its programs and services

### **Article II Protection of Donors**

ACAM encourages all prospective donors to seek the assistance of appropriate legal and financial advisors in all matters related to their charitable gifts, including the resulting tax and estate planning consequences of such gifts. ACAM will provide the donor with appropriate acknowledgments of gifts as required of the organization by Federal or State law.

### **Article III Acceptable Gifts and Gift Acceptance Process**

The guidelines as provided for in this policy shall be administered by the Chief Executive Officer of the organization under the oversight of the board.

The following gifts are acceptable, subject to the organization's criteria for acceptance:

1. Cash. Cash is acceptable in any form. Checks shall be made payable to the Alliance of Community Assistance Ministries, Inc. or ACAM and shall be delivered to the organization's offices at 710 N. Post Oak Road, Suite 210, Houston, TX 77024.
2. Securities. The organization accepts both publicly traded securities and closely held securities. If potential problems arise on initial review of the security by the Board of Directors, further review and recommendation by an outside professional may be sought before making a final decision on acceptance of the security. Securities may be transferred to an account maintained at one or more brokerage firms or delivered physically with the transferor's signature or stock power attached. Closely held securities will require additional review by the board of directors.
3. Real Estate. Gifts of real estate, including developed or undeveloped property, may be accepted after review by the board of directors. ACAM requires all gifts of real estate to include, at the donor's expense, an initial environmental inspection report. The board of directors shall consider the following criteria before accepting a gift of real estate: a) the marketability of the property, b) the carrying costs of holding or maintaining the property, c) the property's usefulness to the organization's exempt purpose, and d) the existence of any restrictions, reservations, easements, or other limitations on the use of the property.
4. Remainder Interest in Property. A remainder interest in a personal residence, farm, or vacation property (subject to the criteria show in item 3) is an acceptable gift. The donor or other occupants may continue to occupy the property for the duration of the stated life. Expenses for maintenance, real estate taxes, and any indebtedness on the property are to be paid by the donor or primary beneficiary.
5. Life Insurance Beneficiary Designations. Donors will be encouraged to name ACAM as beneficiary or contingent beneficiary of their life insurance policies. Such designations shall not be recorded as a gift to the organization until the gift is irrevocable.
6. Charitable Remainder Trust. ACAM may accept designation as a remainder beneficiary of a charitable remainder trust with the approval of the Board of Directors. In no event will ACAM accept appointment as trustee of a charitable remainder trust.
7. Charitable Lead Trusts. ACAM may accept designation as an income beneficiary of a charitable lead trust. In no event will ACAM accept appointment as trustee of a charitable lead trust.
8. Bequests. Donors are encouraged to make bequests to ACAM under their wills and trusts. The bequests will not be recorded as a gift until the gift is irrevocable.

**Article IV  
Timing for Receipt of Gifts**

The Alliance of Community Assistance Ministries, Inc. (ACAM) will not accept any gifts without adequate time to perform due diligence on the gift prior to acceptance. This may result in the inability to accept gifts of real estate in the last quarter of the year.

**Article V  
Restrictions of Gifts**

ACAM will accept gifts restricted for specific programs and purposes if such gifts are consistent with its stated mission, purposes, and priorities. ACAM will not accept gifts subject to restrictions if those restrictions violate the terms of the organization's charter, are too difficult to administer, or are for purposes outside the organization's mission.

**Article VI  
Policies for Use of Legal Counsel**

ACAM shall seek the advice of legal counsel in matters relating to the acceptance of gifts when appropriate. Legal review is recommended for (a) transfers of closely held stock that are subject to restrictions or buy/sell agreements, (b) gifts involving contracts or other documents requiring the organization to assume any obligation, (c) transactions with potential for conflict of interest that may invoke IRS sanctions, and (d) other instances deemed appropriate by the board of directors.

**Article VII  
Changes to Gift Acceptance Policies**

These policies and guidelines have been reviewed and accepted by the Board of Directors of ACAM. Any changes to, or deviations from, these policies require approval of the Board of Directors.

Printed Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

## **Alliance of Community Assistance Ministries, Inc. (ACAM) Expense Reimbursement Policy**

### **Purpose**

Because of the need for board members, officers, and employees (“personnel”) to travel or incur other expenses on behalf of the Alliance of Community Assistance Ministries, Inc. (ACAM), the Board of Directors establishes this policy for travel and other expense reimbursements. The purpose of this policy is to ensure that (1) a consistent procedure is in place for the timely reimbursement of authorized expenses incurred under the policy; (2) travel and other expenditures are appropriate and contribute to the tax-exempt purposes of ACAM; and (3) controls for travel and other expenses are sufficient to protect the organization’s assets.

When personnel incur these travel or business expenses, ACAM expects personnel to:

- Exercise prudence and good business judgment;
- Be cost conscious, and exhibit judicious use of ACAM’s funds;
- Report expenses, evidenced and supported by required documentation, as they were actually spent.

### **Documentation**

Written receipts from the vendor (credit card receipts or statements may be used only if all required information is included) are required for all expenditures. The receipt should include the vendor’s name, the date, and the total expenses including tips, if applicable. If the services provided are not obvious on the receipt, the expense report (or travel expense report) should include a description of the services. In addition, receipts are required for all expenditures billed directly to ACAM.

### **Expense Report**

Only expenditures submitted using *ACAM’s Expense Report Form* (see **Attachment A**) will be considered for reimbursement, except when expenses relate to non-local travel (see requirements below). Expense reports shall be submitted at least monthly and must include:

- The individual’s name;
- An itemized list of all expenses for which reimbursement is requested, including vendors, dates, locations, and amounts;
- The name, title, and affiliation of all parties for whom expenses are reported (e.g. the names and affiliations of any participants in a group meal);
- The business purpose of the related activity (and if the activity was an entertainment activity, specific description of the business matter discussed);

- The date, origin, destination, and category of any expenses related to the business activity including an explanation of the purpose of any local travel, including a brief description of each organization-related activity (include any personal vehicle mileage for business use);
- The proper approval by the designated party.

Expense reports for personnel must be approved by the Chief Executive Officer. Officer's expense reports must be approved by the Chairman of the Board of Directors.

### **Organization Credit Cards**

If an organization credit card is used for travel or other business expenses, the requirements to submit an expense report, explaining charges, as described above under "Expense Reports" must still be met, and charges may not be made for "Non-Reimbursable Expenditures" as described below. Personnel who have been granted the use of an organization credit card is required to meet all responsibilities as described in *ACAM's Credit Card Policy Agreement* upon their signature.

### **Non-local Travel Requirements**

1. Necessity of Travel. In determining the reasonableness and necessity of travel expenses, personnel and the person authorizing the travel shall consider the ways in which ACAM will benefit from the travel and weigh those benefits against the anticipated costs of the travel. The same considerations shall be taken into account in deciding whether the benefits to ACAM outweigh the costs, less expensive alternatives, such as participation by telephone or video conferencing, or the availability of local programs or training opportunities, shall be considered. In addition, personnel must complete *ACAM's Request to Attend Form (Attachment B)* in advance of anticipated travel and before any expenses are incurred to obtain the appropriate approval. All non-local travel requests for personnel must be approved by the Chief Executive Officer. Officer's non-local travel requests must be approved by the Chairman of the Board of Directors.
2. Travel Expense Report. Only non-local travel, defined as overnight travel, expenditures submitted using *ACAM's Travel Expense Report Form* (see **Attachment C**) will be considered for reimbursement. Travel Expense reports shall be submitted at within 10 days of completion of travel and must include:
  - The individual's name;
  - An itemized list of all expenses for which reimbursement is requested, including vendors, dates, locations, and amounts;
  - The name, title, and affiliation of all parties for whom expenses are reported (e.g. the names and affiliations of any participants in a group meal);
  - The business purpose of the related activity (and if the activity was an entertainment activity, specific description of the business matter discussed);

- The date, origin, destination, and category of any expenses related to the trip, including a brief description of each organization business activity related to the expense;
- The proper approval by the designated party.

The *ACAM Attendee Report Form* (see **Attachment D**), detailing information benefitting ACAM from the trip, must be completed and submitted with the travel expense report. Travel expense reports for personnel must be approved by the Chief Executive Officer. Officer's travel expense reports must be approved by the Chairman of the Board of Directors.

3. Personal and Spousal Travel Expenses. With advance approval from the Chief Executive Officer, individuals traveling on behalf of ACAM may incorporate personal travel or business with their business-related trips; however, personnel shall not arrange business travel at a time that is less advantageous to ACAM, or involving greater expenses to ACAM in order to accommodate personal travel plans. Any additional expenses incurred as a result of personal travel, including but not limited to extra hotel nights, additional stopovers, meals or transportation, are the sole responsibility of the individual and will not be reimbursed by ACAM. Expenses associated with travel of an individual's spouse, family or friends will not be reimbursed by ACAM.
4. Air Travel. Reservations for air travel should be made as far in advance as possible in order to take advantage of lower fares. Air fares will only be reimbursed or paid for the lowest coach class fare actually available for direct, non-stop flights from the airport nearest the individual's home or office to the airport nearest the destination of the business activity.

Any frequent flyer miles or compensation for denied boarding while traveling on behalf of the organization may be retained by personnel for their personal use. However, personnel may not deliberately patronize a single airline to accumulate frequent flyer miles if less expensive comparable tickets are available on another airline.

5. Lodging. While traveling on behalf of the organization, personnel shall be reimbursed at the single room rate for the reasonable cost of a hotel room, using any available corporate and discount rates. "Reasonable" for this purpose will include consideration of the typical costs of hotel accommodations in the destination city and location convenient to the business activity.
6. Out-Of-Town Meals. When traveling on behalf of the organization, personnel shall be reimbursed for the reasonable and actual cost of a meal (including tips) subject to the maximum per diem meal allowance established by the General Services Administration (GSA) for *Domestic Maximum Per Diem Rates* released on October 1 for the current fiscal year. The maximum should not be claimed unless the actual expenditures equal or exceed the maximum allowable rate. Meals paid for or provided by others will not be reimbursed.

Exceptions may be made where available meal options require higher expenditures. Exceptions will require a receipt, and must be approved by the Chief Executive Officer of ACAM.

7. Ground Transportation. When traveling on behalf of the organization, personnel shall use the most economical ground transportation suitable for the situation, and should generally use the following, in this order of preference: (1) shuttles and courtesy cars (i.e. hotel shuttles to and from the airport, which are generally at no cost), (2) airport shuttle or bus, (3) taxi service (often economical and convenient when the trip is for a limited time and minimal mileage is involved), (4) rental cars (the cost should be compared with other forms of transportation and should be less than alternative methods of transportation).
8. Mileage. When personnel are required to conduct business for the organization or attend meetings in other locales, they shall be reimbursed for mileage driven in personal automobiles at a rate corresponding with IRS guidelines to the extent such mileage is in excess of the employee's usual commute. When personnel use their personal cars for a trip that would normally be made by air, mileage will be reimbursed with prior approval.
9. Parking/Tolls. Personnel shall be reimbursed for parking and toll expenses actually incurred while traveling on behalf of the organization. Hotel parking fees are included in this policy. For short business trips, in-field airport parking is permitted; however, for extended trips, personnel must use remote parking facilities. The costs of parking tickets, fines, car washes, valet service, etc., are the responsibility of the personnel and will not be reimbursed.
10. Entertainment and Business Meetings. Reasonable expenses incurred for business meetings or other types of business-related entertainment shall be reimbursed only if the expenditures are approved in advance by Chief Executive Officer of ACAM. Detailed documentation for any such expense must be provided, including:
  - Date and place of entertainment,
  - Nature of expense,
  - The name, title, and affiliation of all parties for whom entertainment expenses are reported,
  - A complete description of the business purpose for the activity including the specific business matter discussed,
  - Vendor receipts (not credit card receipts or statements) showing the vendor's name, a description of the services provided, the date, and the total expenses, including tips (if applicable).
11. Other Expenses. Other reasonable business-related expenses such as postage, shipping charges, or tips not covered under meals, are reimbursable to the extent personnel are away from their place of business and working on behalf of the organization. Reasonable telephone and fax charges due to approved absence of personnel from the individual's place of business are reimbursable.
12. Non-reimbursable Expenditures. In support of the organization's focus on the judicious use of funds by an exempt organization, this policy strictly prohibits reimbursement of any expenses in any category that could be perceived as excessive or lavish. Such expenses include, but are not limited to:



**WORKFORCE SOLUTIONS  
TRAVEL POLICY ADDENDUM MAXIMUM REIMBURSEMENT  
RATES Effective July 1, 2022**

<u>TYPE</u>	<u>RATE</u>
<b>MOTOR VEHICLE MILEAGE</b> (privately owned vehicle)	<b>62.5</b> cents per mile through December 31, 2022 See <a href="#">Texas Comptroller of Public Accounts</a> <a href="#">TexTravel</a> for current rates
<b>AIR FARE</b>	Lowest available rate
<b>MEALS AND LODGING</b>	
<i>In-State and Out-of-State Non-Overnight</i>	
Meals (receipts not required, expenses itemized)	Up to \$36/day
<i>In-State and Out-of-State Overnight</i>	
Meals (receipts not required, expenses itemized)	Up to the maximum rates established in the <a href="#">GSA’s Federal Domestic Maximum Per Diem</a> rates for the applicable federal fiscal year.
Lodging (receipt required)	
	If the city is not listed in the GSA schedule, use the county in which the city is located.
	For locations not listed (city or county), the following rates apply:
	<ul style="list-style-type: none"> <li>• Meals, up to \$59/day</li> <li>• Lodging, up to \$96/day</li> </ul>
<b>ALLOWABLE MISCELLANEOUS EXPENSES</b>	
Car Rental (receipt required)	Requires justification, compact car only, and actual expense including gas
Taxi/Uber/Lyft (receipt not required, but itemized)	Actual expense
Parking (receipt required)	Actual expense
Telephone or Internet (receipt required)	Actual expense
Tolls	Actual expense
Hotel Occupancy Taxes (receipt required)	Actual expense
Sales and Use Taxes (receipt required)	Actual expense if exemption not honored
Cancellation Charges (receipt required)	Requires justification, actual expense

## **UNALLOWABLE MISCELLANEOUS EXPENSES**

Alcohol	No reimbursement
Entertainment	
Tips and Gratuities	
Dry Cleaning and Laundry	

### **NOTES**

1. Travel expense reimbursement is not a per diem. Employees must claim the actual expenses incurred for meals and lodging, not to exceed the maximum allowable rates. The maximum may not be claimed unless the actual expenditures equal or exceed the maximum allowable rate. The reimbursement limit applies without a carry-over from another day.
2. The maximum reimbursement rates provided in this travel policy addendum supersede all reimbursement rates previously provided in the existing Travel Policies and Procedures.
3. Texas Comptroller of Public Accounts TexTravel guide  
<https://fmx.cpa.texas.gov/fmx/travel/texttravel/index.php>
4. U.S. General Services Administration Federal Domestic Maximum Per Diem Rates  
<https://www.gsa.gov/travel/plan-book/per-diem-rates>

- Travel insurance,
- First class tickets or upgrades,
- Luxury lodging accommodations including circumstances where ACAM has arranged for accommodations and the individual elects to stay elsewhere, reimbursement shall be at the amount no higher than the rate negotiated by ACAM. Reimbursement shall not be made for transportation between the alternate lodging and the meeting site,
- Limousine travel,
- Movies, liquor, or bar costs,
- Membership dues at any country club, private club, athletic club, golf club, tennis club or similar recreational organizations,
- Participation in or attendance at golf or tennis tournaments, NASCAR races or other sporting events, without the advance approval of the Chief Executive Officer, Executive Committee Chair, or his/her designee,
- Purchase or rental of golf clubs or any other sporting equipment,
- Spa or exercise charges,
- Clothing purchases,
- Business conferences and entertainment which are not approved by the Chief Executive Officer of ACAM,
- Valet service,
- Car washes,
- Toiletry articles,
- Expenses for spouses, friends, or relatives. If a spouse, friend or relative accompanies personnel on a trip, it is their responsibility to determine any added cost for double occupancy and related expenses and to make the appropriate adjustment in the reimbursement request.

**ALLIANCE OF COMMUNITY ASSISTANCE MINISTRIES, INC. (ACAM) - EXPENSE REPORT**

Period From: **7/1/2022** To: **9/30/2022**

Staff Name: *Your Name Here*

Date	Vendor	Business Purpose of Activity	Accounting					Total Amount	Form of Payment
			Account	Class	Subclass	Description			
<b>TOTAL EXPENSE REIMBURSEMENT</b>							\$	-	

* Must attach completed Mileage Log	<b>68322</b>	\$	-
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<b>GRAND TOTAL REIMBURSEMENT</b>	\$	-
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EXPENSE SUMMARY BY CLASS CODE:			
CLASS & SUB	AMOUNT	CLASS & SUB	AMOUNT
Mgmt 01		HP Private 06-602	
Fund Dev 02		DisasterRel 07-706	
PO OND 03-301		EFSP Phase 39 07-709-4	
PACE 03-302		EFSP Phase ARPA-R 07-709-5	
FIRST 03-303		ERA2 07-711-1	
PO Training 04-401		ERA2 M 07-711-2	
Events 04-402		ESG 13 08-815-1	
Com Outreach 05		ESG 13 M 08-815-2	
		MISO Svc 09-902	
		REACH 10-100-1	
		REACH private 10-100-2	
		EMP Workforce OY 10-1002-1	
		EMP Workforce OY Private 10-1002-2	
		Collab Mgt. 1101-1	
		OYC Fund 1102-1	
		OYC Youth LE 1103-1	
		OYC Train. 1104-1	
		OYC PO Capacity 1105-1	
		<b>TOTAL REIMBURSEMENT</b>	\$ -

**ALLIANCE OF COMMUNITY ASSISTANCE MINISTRIES, INC. (ACAM) - Mileage Log**

Period From: 7/1/2022 - 9/30/2022

Staff Name: *Your Name Here*

Date	Departing Address	Destination Address	Business Purpose of Activity	Account	Round Trip (Yes or No)	Miles per Map	Number of Actual Miles x Rate	x Rate @ .625 after 7/1/22	Amount Reimbursed	Map Attached?	Class	Subclass
1				68322				\$0.625	\$ -			
2				68322				\$0.625	\$ -			
3				68322				\$0.625	\$ -			
4				68322				\$0.625	\$ -			
5				68322				\$0.625	\$ -			
6				68322				\$0.625	\$ -			
Insert Above this Row												
<b>TOTAL MILEAGE REIMBURSEMENT</b>						0.0	0.0		\$ -			

EXPENSE SUMMARY BY CLASS CODE:			
CLASS & SUB	AMOUNT	CLASS & SUB	AMOUNT
Mgmt 01		HP Private 06-602	
Fund Dev 02		DisasterRel 07-706	
PO OND 03-301		EFSP Phase 39 07-709-4	
PACE 03-302		EFSP Phase ARPA-R 07-709-5	
FIRST 03-303		ERA2 07-711-2	
PO Training 04-401		ERA2 M 07-711-2	
Events 04-402		ESG 13 08-815-1	
Com Outreach 05		ESG 13 M 08-815-2	
		MSO Svc 09-902	
		REACH 10-100-1	
		REACH private 10-100-2	
		EMP Workforce OY 10-1002-1	
		EMP Workforce OY Private 10-1002-2	
		Collab Mgt. 1101-1	
		OYC Fund 1102-1	
		OYC Youth LE 1103-1	
		OYC Train. 1104-1	
		OYC PO Capacity. 1105-1	
		<b>REIMBURSE</b>	
		<b>MENT</b>	\$ -

\_\_\_\_\_  
STAFF SIGNATURE                      DATE

\_\_\_\_\_  
AUTHORIZED SIGNATURE                      DATE







**Alliance of Community Assistance Ministries, Inc. (ACAM)  
Credit Card Policy Agreement**

You have been granted the use of an ACAM credit card. Your participation in the credit card program is a convenience that comes with related responsibilities. Although this card is issued in your name, it is Organization property and must be used prudently and in accordance with this policy. **By signing this agreement, you acknowledge that you understand and will comply with all the Organization guidelines, as listed below.**

I, as an authorized and approved cardholder, have been trained and fully understand and agree to the following terms and conditions regarding the use and safekeeping of the credit card entrusted to me.

1. I accept full personal responsibility for the safekeeping of the credit card assigned to me, and understand that absolutely no one, other than me, is permitted to use the credit card assigned to me.
2. I will be making financial commitments on behalf of ACAM and will obtain fair and reasonable prices following *ACAM's Expense Reimbursement Policy* and *ACAM's Procurement Policy*.
3. I will submit my expense report to ACAM at least monthly and within ten days after completion of a business trip, showing expenses incurred with all required receipts attached.
4. When I use my credit card, I understand that these purchases will result in a "receivable" against me, and I am responsible for repayment of any of the charges that are disallowed when the expense report is submitted to ACAM. I further understand that any disallowed amount must be repaid to ACAM within five days after the expense report has been filed.
5. In the event that I fail to repay any disallowed amount, ACAM is authorized to withhold the full amount from any payment(s) due me from ACAM, including payroll checks, as repayment. I understand that failure to follow these provisions more than once within any 12-month period will result in suspension of my credit card.
6. I will not use the credit card for expenses unrelated to ACAM, unauthorized purchases, or for personal purchases.
7. I will immediately report the theft or loss of my credit card to the Chief Executive Officer in writing.
8. I understand that I cannot use the credit card as a financial reference to obtain personal credit cards or loans.
9. I understand that I am personally responsible for obtaining all original detailed receipts (purchase and credit documents) and submitting them within the current month of the charge. Written receipts from the vendor (credit card receipts or statements may be used only if all required information is included) are required for all expenditures. The receipt should include the vendor's name, the date, and the total expenses including tips, if applicable. If the services provided are not obvious on the receipt, the expense report (or travel expense report) should include a description of the services.
10. I understand that any purchases made by me will be recorded and reviewed in management reports, to ensure compliance with credit card guidelines.

---

Personnel Signature

Date





## **Alliance of Community Assistance Ministries, Inc. (ACAM) Procurement Policy**

### **Article I Purpose**

The purpose of the procurement policy is to set forth standards in establishing procedures for the procurement of supplies and other expendable property, equipment, real property and other services to ensure ACAM's purchases are obtained in an effective manner and in compliance with the provisions of applicable Federal and State statutes requirements as applicable.

### **Article II General Policy**

#### **1. No Conflict of Interest**

All directors, employees, or agents who participate in the selection or acceptance of a contract for supplies and other expendable property, equipment, real property and other services, must comply with the Alliance of Community Assistance Ministries, Inc. ("ACAM") Code of Ethics and Conflict of Interest Policy. No director, employee, or agent shall participate in the selection, award, acceptance, or administration of a contract if a real or apparent conflict of interest would be involved. Such a conflict would arise when the employee, board member, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in the firm selected for an award. The Board of Directors and Chief Executive Officer shall make the determination when the financial interest is not substantial.

#### **2. No Purchase of Items for Personal Use**

No director, employee, or agent who participates in the selection or acceptance of a contract for supplies and other expendable property, equipment, real property and other services shall use such items for personal use.

#### **3. No Receipt of Gratuities**

No director, employee, or agent shall solicit or accept gratuities, favors, gifts, or something of value from contractors, potential contractors, or parties to agreements with the organization.

#### **4. No Purchase of Items Not Approved in the Budget**

No director, employee, or agent shall solicit or accept any supplies and other expendable property, equipment, real property and other services that have not been approved by the Board of Directors and included in the current fiscal year budget without prior approval of the Board of Directors.

#### **5. Open and Free Competition**

All procurement transactions shall be conducted in a manner to provide, to the maximum extent practical, open and free competition. Awards shall be made to the bidder or offeror whose bid or offer is responsive to ACAM's solicitation (i.e. request for proposal, request for services, or request for quote) and is most advantageous with consideration of price, quality, and any other relevant

factors. ACAM will evaluate and award contracts only to responsible contractors possessing the ability to perform successfully. Consideration will be given to contractor integrity, compliance with public policy, past performance and financial and technical resources. ACAM reserves the right to reject any and all bids or offers, upon review by the Board of Directors and Chief Executive Officer, in the best interest of the organization.

#### 6. Document Cost Analysis

ACAM shall conduct a cost analysis at a minimum of every year and document the analysis in the procurement files in conjunction with every purchase utilizing government funds or any purchases as applicable. The cost analysis shall include the evaluation of each element of cost to determine reasonableness and appropriate comparisons. The procurement file shall include a justification for the lack of competition if competitive bids or offers are not obtained. A minimum of three non-competitive bids are required in conjunction with purchases with an aggregate above \$5,000. Sole source justifications for purchases made with private funds may be authorized by ACAM's Chief Executive Officer and/or Board Chair.

#### 7. Contract Administration

A system for contract administration has been established, in conjunction with ACAM's financial management system, to ensure contractor conformance with the terms, conditions and specifications of the contract and to ensure adequate and timely follow up of all purchases. The system for contract administration is a critical component of the overall contractor performance evaluation and documents, as appropriate, whether contractors have met the terms, conditions and specifications of the contract.

#### 8. Contract Provisions

If a contract is competitively bid, ACAM shall enter into a sound and complete agreement, including but not limited to the following provisions:

(1) Contracts in excess of the small purchase threshold shall contain contractual provisions or conditions that allow for administrative, contractual, or legal remedies in instances in which a contractor violates or breaches the contract terms and provide for such remedial actions as may be appropriate.

(2) All contracts in excess of the small purchase threshold shall contain suitable provisions for termination by the recipient, including the manner by which termination shall be effected and the basis for settlement. In addition, such contracts shall describe conditions under which the contract may be terminated for default as well as conditions where the contract may be terminated because of circumstances beyond the control of the contractor.

(3) Except as otherwise required by statute, an award that requires the contracting (or subcontracting) for construction or facility improvements shall provide for the recipient to follow its own requirements relating to bid guarantees, performance bonds, and payment bonds unless the construction contract or subcontract exceeds \$100,000.

(4) All negotiated contracts (except those for less than the small purchase threshold) shall include provisions that allow for ACAM, the Comptroller General of the United States, or any of their duly authorized representatives, to have access to any books, documents, papers and records of the contractor which are directly pertinent to a specific program for the purpose of making audits, examinations, excerpts and transcriptions. The provisions shall include guidelines for record

retention.

#### 8. Contractor Evaluation

ACAM will evaluate each contractor at the completion of each contract, or annually, whichever is more recent. The evaluation will be utilized to document contractor performance in order to make informed decisions for future contracts. See “*ACAM Independent Contractor Evaluation Form*” supplied in **Attachment A**.

### **Article III Acquisition Procedure**

ACAM will conduct all procurement transactions in a manner that maximizes opportunities, increases quality, and reduces the cost of purchase. ACAM reserves the right to reject any bids or offers, if deemed to be in its best interest.

#### 1. Pricing Procedures

One of the following procurement procedures shall be utilized for all purchases of supplies and other expendable property, equipment, real property and other services involving federal, state, or local funds or purchases with an aggregate over \$5,000 (or over \$3,000 for TDHCA contract). ACAM does not require purchases with private funds to follow the state and federal guidelines. However, to the extent practical it is highly recommended to obtain more than one quotes for all purchases to ensure the costs are reasonable (See Attachment D). [For purchases with government funds, please refer to the minimum guidelines, the Uniform Grant Management Common Rule, Texas Government Code, Chapter 783, and/or 2 CFR 200 §§200.317-200.326 (Procurement Standards), as appropriate for the following categories]:

- (1) **Open Market Inquiry:** ACAM will inquire in the open market to ensure an advantageous price and quality. The file shall document the inquiries made and offers received.
- (2) **Request for Quotes:** ACAM will request competitive quotes, documented, from at least three different sources. The files shall document each invitation made and offer received.
- (3) **Formal Proposal Procedure:** ACAM will solicit competitive responses through a formal bid procedure. Bids will remain sealed until the time designated in the proposal. All requests for proposals shall contain the phrase “Equal Opportunity Employer.”

#### Sole Source Justification

When it is proposed to utilize government funds, ACAM will receive written approval from the grantor for any sole source justifications. The Chief Executive Officer and/or Board Chair may approve sole source justifications when private funds are used. See “*ACAM Sole Source Guidelines and Form*” supplied in **Attachment B**.

#### 2. Document Prices

ACAM shall maintain files on all quotations solicited and offers or bids received and any criteria for selection. In all instances in which the lowest bid is not accepted and awarded, written justification for the evaluation and selection process shall be contained in the file. See “*ACAM Document of Quotes Form*” supplied in **Attachment C**.

## **Article IV Property and Equipment Policy**

When purchasing property (both real estate and equipment), the following procedures must be followed:

- (1) Title shall be in the name of the Alliance of Community Assistance Ministries, Inc. (ACAM):** All property purchased belongs to the organization and title vests with the organization.
- (2) Property Inventory:** A list of all property owned by the ACAM shall be maintained and shall include: (1) type of property, (2) appropriate identification number, (3) date of acquisition, (4) original cost (if donated, a written appraisal shall be obtained to value property), and (5) useful life. The inventory list must be completed at the time of purchase and annually at the end of ACAM's fiscal year.

## **Article V Additional Policies When Using Federal Funds to Purchase**

### 1. Federal Debarment.

Before purchasing goods using federal funds, ACAM must review the Federal Government's General Services Administration's "List of Parties Excluded from Federal Procurement of Non-Procurement Programs" and document that the bidder is neither debarred nor suspended from doing business with the federal government nor delinquent in a debt to the United States as defined in OMB Circular A 1-29.

### 2. Property of Federal Government.

Equipment purchased with federal funds that costs more than \$5,000 with a useful life of more than one year and a per-unit acquisition cost not exceeds ACAM's capitalization threshold (must obtain a pre-written approval prior to purchase) is considered the property of the federal government and must be tag, inventory, and disposed of through the applicable federal procedures.

### 3. Expanded restrictions on conflicts of interest.

ACAM shall adhere to ACAM's Conflict of Interest and Disclosure of Certain Interests Policy as applicable.

An outside consultant or contractor is prohibited from submitting a competitive proposal for services in which the consultant or contractor was a designer or reviewer. If such a consultant or contractor submits a proposal, that proposal shall be disqualified on the basis of conflict of interest.

Potential offerors/bidders are advised that they may have disclosure requirements.

Contractor shall not use funds to directly or indirectly to pay any person for influencing or attempting to influence any employee, director, officer, or reviewer in connection with the awarding of any contract or the extension, renewal, amendment or modification of any contract.

Some specific federal programs may require approval from the federal government before engaging in a transaction in which a conflict of interest may exist. ACAM shall review program specific guidelines.

#### 4. Additional Guidance on Procurement

Ensuring compliance with program specific requirements when engaging in procurement utilizing state or federal funds, ACAM's Procurement Officer shall review the most recent procurement guidelines to ensure compliance with process requirements and those of particular government programs such as the Texas Administrative Code as there exist specific requirements related to:

- Micro-purchases: aggregate of \$3,000 or less, do not require price quotations, but must be distributed equitably among qualified suppliers to the extent practicable. **However, in order to comply with state guidelines, whenever possible ACAM will follow the threshold for small purchases. Currently, the State of Texas does not allow micro purchase for procurement, and the small purchase threshold must be used for all state contracted funds. \$2,000 for construction awards subject to the Davis-Bacon Act.** Micro purchases may be awarded without soliciting micro-competitive quotations if the non-Federal entity considers the price to be reasonable.

##### 1. Procurements requiring competition or cost-price analysis:

- (1) **Small purchase:** (\$3,000-\$149,999) price and more than one (a minimum of three is highly recommended) rate quotes must be obtained from an adequate number of qualified sources.
- (2) **Sealed bids using firm fixed price contract (Invitation for Bid, IFB):** (>\$150,000, construction projects, price is a major factor) require formal advertising, two or more bidders are willing and able to respond, and there is public opening of the bids.
- (3) **Competitive proposals (Request for Proposal, RFP, and Requests for Qualifications, RFQ):** (>\$150,000, Fixed price cost reimbursement, RFP with evaluation methods) used when sealed bids is not appropriate, requires advertising, includes a written method for conducting the technical evaluation, responses must be solicited from an adequate number of qualified sources, normally has more than one source submitting an offer and the award is either fixed price or cost reimbursable.  
Request for Proposals (RFP):

a) An RFP is used when the Customer understands the business problem and what's needed to solve it, including specifications and procedures. Price is usually not the determining factor in the evaluation of an RFP. Factors such as quality, service, and reputation are also taken into consideration.

b) Request for Qualifications (RFQ): An RFQ is generally used to obtain service delivery information, agency history and qualification for the project. In this case, requestors have a clear understanding of what they need, including requirements and specifications. In addition, the budget could be fixed per the prime contract – so the Procurement Evaluation board is reviewing based on expertise.

c) Evaluation of proposals/offers/bids: The Procurement Officer will gather a team of evaluators to score and rank the responses. Whenever practicable, ACAM will include independent reviews on the evaluation team to ensure diverse review.

- (4) **Procurement by noncompetitive proposal (Sole Source):** is used when the items are only available from a single source. One or more of the following must apply:
  - a. Available only through a single source
  - b. Public exigency or emergency will not permit delay required for competition
  - c. Awarding agency has expressly authorized a noncompetitive process, or

- after solicitation of a number of sources
- d. After solicitation of a number of sources, competition is deemed inadequate
2. Minority- and Women-owned Business Enterprises (MWBEs) and Historically Underutilized Businesses (HUBs):
- (1) Small businesses at least 51% owned by specified socially and/or economically disadvantaged individuals
  - (2) HUD Procurement Opportunity Programs  
[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/sdb/guide/pop](http://portal.hud.gov/hudportal/HUD?src=/program_offices/sdb/guide/pop)
  - (3) Small Business Administration Section 8(a): [www.sba.gov](http://www.sba.gov)
  - (4) Texas Comptroller of Public Accounts Central Master Bidders List (CMBL) - HUB Directory: <https://mycpa.cpa.state.tx.us/tpasscmbllsearch/index.jsp>

## Article VI Grievance Procedure

1. The purpose of the grievance procedure is to settle any grievance between an Applicant Organization and Alliance of Community Assistance Ministries, Inc. (“ACAM”), as quickly as possible to assure an efficient and fair procurement.
2. Eligibility: A grievance may be filed by any applicant organization that claims it has been adversely affected by:
  - (4) **The score assigned by the Application Review Committee.**
  - (5) Improper application of ACAM Business rules, regulations and procedures.
3. Procedure for Filing Applicant Organization Grievances: **The following steps must be followed in the order given. Time limits shall begin on the first** working day after the applicable occurrence, filing, appeal, response or recommendation. Working days shall not include weekends or national holidays.

Step 1: In order to be considered, a grievance must be filed in writing with ACAM within 24 hours of funding recommendation announcement. This written grievance should be sent to ACAM designated Procurement Officer (Project Optimization Manager. ACAM has forty-eight (48) hours from receipt of the grievance form to respond and resolve grievance.

Step 2: If the applicant organization is not satisfied with the proposed resolution the applicant organization has twenty-four (24) hours to file an appeal with the ACAM Grievance Committee. The Grievance Committee has forty-eight (48) hours to investigate, talk with the grievant and respond in writing using the official form.

4. General Provisions: The Grievance Forms provided by the Project Optimization Manager should be used in pursuing a resolution of the grievance, provided in Attachments E & F. The applicant organization may represent itself or be represented by a chosen representative when presenting the organization’s grievance.



**Attachment E  
Grievance Form**

Applicant Organization: \_\_\_\_\_

Applicant Representative: \_\_\_\_\_

Job Title: \_\_\_\_\_

Organization's Address: \_\_\_\_\_

Organization's Phone Number: \_\_\_\_\_

We have discussed this complaint with the Project Optimization Manager and received her verbal answer on (date)\_\_\_\_\_. Because this answer is unacceptable to us, we wish to file a formal complaint.

Nature of grievance. Explain how your organization was unfairly treated including names and dates. (Use additional pages if needed.)

A just and fair solution of our grievance is:

We understand that if we wish to further appeal our complaint, we have twenty-four (24) hours from response to submit a grievance form to the next level of appeal. Grievances not appealed timely are considered settled at the previous level.

\_\_\_\_\_

\_\_\_\_\_



Date

Signature

**Attachment F**

**Grievance Form Response from ACAM's Grievance Committee**

Applicant Organization: \_\_\_\_\_

Applicant Representative: \_\_\_\_\_

ACAM's Grievance Committee Response to Applicant Organization's Complaint:

Grievances not appealed timely are considered settled at the previous level.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature





**Attachment A**

**ACAM Independent Contractor Evaluation Form**

Contract type:

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Type of Evaluation: Interim \_\_\_\_\_ Annual \_\_\_\_\_ Final \_\_\_\_\_

Award Date: \_\_\_\_\_ Date contract/order completed: \_\_\_\_\_

Total value (include change orders/contract modifications) \$ \_\_\_\_\_

Project Name/Description:

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Contractor Name: \_\_\_\_\_

Contractor Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

**Part 1 – Evaluation of Contractor’s Performance**

The contractor should be evaluated using the following ratings (attach separate sheet for comments if necessary):

**E** = Excellent: Contractor exceeded the requirements.

**S** = Satisfactory: Contractor met the requirements. If the contractor had difficulty meeting the requirements, explain why.

**U** = Unsatisfactory: Contractor did not meet all of the requirements. Explain all non-compliance or unsatisfactory performance and whether and how the contractor was at fault, where applicable.

**N/A** = Not applicable, does not apply to the contract.

Evaluation Question	E	S	U	N/A	Comments
<b>1. Cost/Price Control</b>					
Did the contractor complete the contract within the contract amounts?					
Did the contractor experience cost growth?					
<b>2. Schedule Control</b>					
Did the contractor meet the original completion date? If not, explain why.					
Did the contractor request an extension due to (avoidable) reasons within its control?					
Did the contractor finish ahead of schedule?					
<b>3. Contract Administration</b>					
Did the contractor respond to ACAM correspondence in a timely manner?					
Were unnecessary cost/price change proposals requested or submitted?					
Were ACAM requested changes and prices submitted and negotiated promptly?					
Were contract modifications promptly executed?					
Were the subcontracts properly administered?					
Did the contractor comply with its subcontracting plan?					
Were progress reports submitted on time?					
Were invoices submitted correctly?					
Were contract discrepancies/problems reported promptly?					
Were major subcontracts administered properly?					
<b>4. Responsiveness to ACAM</b>					
Were complaints from ACAM resolved in a reasonable and cooperative manner?					
Were telephone calls responded to promptly?					
Were controversial issues resolved amicably?					
Was the contractor reasonable and responsive to ACAM’s needs?					
<b>5. Contract Compliance with Technical Requirements</b>					
Were all of the contract’s technical requirements and specifications met?					
Were the objectives of the scope of work met?					
Were problems resolved?					
Will the final product be used for the purpose intended? If not, why?					
<b>6. Key Personnel of the Contractor</b>					
Did personnel have the necessary knowledge and technical expertise?					
Were changes in key personnel made? How often were they made?					

**Part 2 – Contractor’s Performance Recommendation and Review**

**7. Recommendation:** Would you recommend award to this contractor for future contracts for like or similar requirements? Yes \_\_\_\_ No \_\_\_\_\_. If No, please fully explain below:

Name of ACAM Staff: \_\_\_\_\_

Title of ACAM Staff: \_\_\_\_\_

Date: \_\_\_\_\_

**Contractor’s Review:**

I have reviewed the performance evaluation of the \_\_\_\_\_ project for the Alliance of Community Assistance Ministries, Inc. (ACAM). I do \_\_\_\_\_ I do not \_\_\_\_\_ concur with it. The attached comments consisting of \_\_\_\_\_ pages are returned herewith for review by an individual at a level above the evaluator listed above.

Contractor’s Name: \_\_\_\_\_

Phone Number: (\_\_\_\_\_) \_\_\_\_\_

Date: \_\_\_\_\_

Contractor Signature: \_\_\_\_\_

## Attachment B

### ACAM Sole Source Guidelines and Form

Competition is Presumed. This policy covers sole source procurements; however, the fair and open chance to compete is preeminent. Before you assert that the procurement is sole source, you should fairly and honestly attempt to identify multiple vendors or multiple brands.

Sole Source Procurement Defined. Sole source procurement is defined as any acquisition which, by the specifications needed by the requestor or by the clear and specific restrictions imposed by a funds provider, restricts the contract to one vendor or to one brand.

Sole Source Procurement Discussed. Examples of sole source procurements are:

1. Equipment for which there is no comparable competitive product, for example, a one-of-a-kind oscilloscope that is available from only one supplier.
2. Public utility services from natural or regulated monopolies.
3. A component or replacement part for which there is no commercially available substitute, and which can be obtained only from the manufacturer.
4. An item where compatibility is the overriding consideration, such as computer operating software enhancements for an existing system.
5. A supply, equipment, part, service or supplier that, due to technically constraining factors associated with scientific research, are needed to ensure the fairness and validity of the underlying research.
6. A supply, equipment, part, service or supplier that is specifically and clearly required by a grantor, contractor, donor, or other provider of funds where the usage of those funds is specifically, explicitly, and clearly restricted by the funds provider.

There are two types of sole source assertions.

1. Supplier – One and only one supplier is capable of delivering the good or service needed, and that the supplier is peculiarly qualified in the entire market to do so.
2. Brand name – One and only one brand of good or service is capable of addressing the need, and that the brand is peculiarly capable in the entire market to do so.

When determining that the procurement is sole source, you should provide convincing justification in writing. The justification should not be based on personal or professional preference, but rather objective evidence. One way to strengthen a sole source assertion is to demonstrate that conducting competitive bid procedures will delay and aggravate the procurement, thus jeopardizing the project. Because competition is not involved, you must be able to demonstrate that the price is fair and reasonable. When it is proposed to utilize government funds, ACAM will receive written approval from the grantor for any sole source justifications. The Chief Executive Officer and/or Board Chair may approve sole source justifications when private funds are used.

The person submitting this form will identify the proposed sole source vendor or product, complete the justification form, and submit to the Chief Executive Officer and/or Board Chair for final approval. Once approval is granted, ACAM is authorized to engage in services or purchasing from the sole source vendor.



**Alliance of Community Assistance Ministries, Inc. (ACAM)  
Sole Source Justification**

THIS IS A JUSTIFICATION FOR: SOLE VENDOR                      SOLE BRAND                      OTHER

PROPOSED TO PURCHASE FROM:  
\_\_\_\_\_

ADDRESS: \_\_\_\_\_

CITY: \_\_\_\_\_ STATE: \_\_\_\_\_ ZIP CODE: \_\_\_\_\_

JUSTIFICATION AND DESCRIPTION OF PRODUCT OR SERVICE TO BE OBTAINED BY SOLE SOURCE PROCUREMENT:

PROPOSED COST OF PRODUCT OR SERVICE TO BE PROCURED:

Requested by: \_\_\_\_\_

Date: \_\_\_\_\_

Authorized by: \_\_\_\_\_

Date: \_\_\_\_\_

NOTE: ACAM will receive written approval from the grantor for any sole source justifications using government funds. The Chief Executive Officer and/or Board Chair may approve sole source justifications when private funds are used.



<b>QUOTE SHEET:</b> <hr/> <b>DATE:</b> _____ <b>BUYER'S NAME #</b> _____ <b>REMARKS:</b> <hr/> <hr/> <hr/>				<b>VENDOR'S NAME:</b> <hr/> <b>TEL #</b> _____  <b>FAX #:</b> _____  <b>QUOTER:</b> _____  <b>DELIVERY DATE:</b> _____		<b>VENDOR'S NAME:</b> <hr/> <b>TEL #</b> _____  <b>FAX #:</b> _____  <b>QUOTER:</b> _____  <b>DELIVERY DATE:</b> _____		<b>VENDOR'S NAME:</b> <hr/> <b>TEL #</b> _____  <b>FAX #:</b> _____  <b>QUOTER:</b> _____  <b>DELIVERY DATE:</b> _____	
LN #	DESCRIPTION	QTY	UNIT	PER 1 paying unit like a box or each	EXT Total of that purchase by item \$	PER	EXT	PER	EXT
<b>TOTAL</b>					\$		\$		\$

Attach a copy of your Request for Quote Form and documentation supporting the vendors' quotes i.e. mailed quotes, emails, or faxes. ACAM will not accept verbal quotes. This form is not to be used to request services. If you are requesting quotes for services, please contact ACAM.

**Alliance of Community Assistance Ministries, Inc. (ACAM)  
Conflict of Interest and Disclosure of Certain Interests Policy**

**Article I  
Purpose**

The purpose of the Conflict of Interest and Disclosure of Certain Interest Policy is to assist directors, officers, and employees of the Alliance of Community Assistance Ministries, Inc. (ACAM) identify situations that present potential conflicts of interest and to provide ACAM with a procedure that will allow a transaction to be treated as valid and binding even though a director, officer, or employee has or may have a conflict of interest with respect to the transaction. In the event there is an inconsistency between the requirements and procedures prescribed herein and those in federal or state law, the law shall control.

**Article II  
Conflict of Interest Defined**

For purposes of this policy, the following circumstances shall be deemed to create Conflicts of Interest:

1. Outside Interests.
  - a. An Agreement or Transaction between ACAM and a Responsible Person or Related or Interested Party.
  - b. An Agreement or Transaction between ACAM and an entity in which a Responsible Person or Related or Interested Party has a Material Financial Interest or of which such person is director, officer, agent, partner, associate, trustee, personal representative, receiver, guardian, custodian, conservator, or other legal representative.
2. Outside Activities.
  - a. A Responsible Person competing with ACAM in the rendering of services or in any other Agreement or Transaction with a third party.
  - b. A Responsible Person's having a Material Financial Interest in; or serving as a director, officer, employee, agent, partner, associate, trustee, personal representative, receiver, guardian, custodian, conservator, or other legal representative of, or consultant to; an entity or individual that competes with ACAM in the provision of services or in any other Agreement or Transaction with a third party.
3. Gifts, Gratuities, Entertainment and Compensation. A Responsible Person accepting gifts, entertainment, compensation, or other favors from any individual or entity that:
  - a. does or is seeking to do business with, or is a competitor of ACAM; or
  - b. has received, is receiving, or is seeking to receive a loan or grant, or to secure other financial commitments from ACAM;
  - c. is a charitable organization;



- d. under circumstances where it might be inferred that such action was intended to influence or possibly would influence the Responsible Person in the performance of his or her duties. This does not preclude the acceptance of items of nominal or insignificant value or entertainment of nominal or insignificant value that are not related to any particular transaction or activity of ACAM.
- e. Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. Compensation from ACAM may exclude reimbursement for expenses incurred in pursuing the interest of ACAM.

### **Article III Organizational Conflicts of Interest**

As ACAM engages with outside businesses and organizations, procures services and grants funding to various nonprofits, ACAM has established procedures that mitigate perceived or actual bias. Grants made with private funds require a formal review and agreement as well as the collection of reports to ensure that obligations have been met and the funds were utilized for charitable purposes. Private grants are reviewed by the Allocations Committee and/or through a scoring process. Perceived or actual conflict of interest should be avoided or mitigated during the procurement and/or grantmaking processes.

The purpose of the Organizational Conflict of Interest (OCI) Policy is to protect the integrity of ACAM in the contracting process and grantmaking process. There are three main categories of OCI: 1) unequal access to information, 2) biased ground rules, and 3) impaired objectivity.

ACAM has procedures for its private grantmaking that together establish a defensible process for the selection and award of grants including but not limited to providing descriptions of the process and requirements, review and or scoring procedures, executing grant agreements, and collecting fiscal and program reports.

In the procurement of services, ACAM has established a Procurement Policy that describes the procurement process including those designed to mitigate potential, perceived, or actual OCI.

Guidance related to OCI are not always prescriptive and judgment must be applied. Early identification of potential OCIs allows for review, disclosure, and the development of mitigation plans. Common elements of a mitigation plan may include entering into non-disclosure agreements, controlling access to sensitive information, disclosure and review. Applicants may be required to submit a disclosure of the nature of any perceived or actual conflicts of interest as part of the proposal. Submitting a disclosure does not disqualified the applicant from consideration; however, ACAM may request a conflict of interest mitigation plan upon review of the application.

OCI is specifically addressed as it relates to federal funds in the Federal Acquisition Regulation (FAR). ACAM's designated Procurement Officer is responsible for complying with the OCI requirements relating to proposals and contracts involving federal funds including the development of a mitigation plan(s) if necessary. An outside consultant or contractor is prohibited from submitting a competitively proposal for services in which the consultant or

contractor was a designer or reviewer. If such a consultant or contractor submits a proposal, that proposal shall be disqualified on the basis of conflict of interest. Potential offerors/bidders are advised that they may have disclosure requirements. Contractors shall not use funds to directly or indirectly pay any person for influencing or attempting to influence any employee, director, officer, or reviewer in connection with the awarding of any contract or the extension, renewal, amendment or modification of any contract.

Some specific federal programs may require approval from the federal government before engaging in a transaction in which a conflict of interest may exist. ACAM shall review program specific guidelines.

#### **Article IV Definitions**

1. A “Conflict of Interest” is any circumstance described in Part 2 of this Policy.
2. A “Responsible Person” is any person serving as an officer, employee, member of any committee appointed by the board of directors, or member of the board of directors of ACAM.
3. For purposes of the following questions, a related or interested party includes any of the following:
  - a. Your spouse, domestic partner, child (whether natural or adopted), ancestors, and siblings (whether whole or half-blood), grandchildren, and great-grandchildren.
  - b. An entity more than 35% owned, either directly or indirectly, by you or a person listed in item (a).
  - c. An entity (other than another tax-exempt organization) for which you are serving (or served during the tax year in question) as a director, director, officer, or key employee.
  - d. A partnership for which you are a partner or member with a direct or indirect ownership interest (including ownership by a family member) in excess of 5%.
  - e. A professional corporation for which you are a shareholder with any ownership interest in excess of 5% (including ownership by a family member).
4. A “Material Financial Interest” in an entity is a financial interest of any kind that, in view of all the circumstances, is substantial enough that it would, or reasonably could, affect a Responsible Person’s or Related or Interested Party’s judgment with respect to transactions to which the entity is a party. This includes all forms of compensation. For purposes of this policy, any interest over **\$5,000** is considered to be a “material financial interest”.
5. An “Agreement or Transaction” is any agreement or relationship involving the sale or purchase of goods, services, or rights of any kind, the providing or receipt of a loan or grant, or the establishment of any other type of pecuniary relationship by ACAM. The making of a gift to ACAM is not an Agreement or Transaction within the meaning of this document.

## **Article V Procedures**

1. Before board or committee action on an Agreement of Transaction involving a Conflict of Interest, a director or committee member having a Conflict of Interest and who is in attendance at the meeting shall disclose all facts material to the Conflict of Interest. Such disclosure shall be reflected in the minutes of the meeting.
2. A director or committee member who plans not to attend a meeting at which he or she has reason to believe that the board or committee will act on a matter in which the person has a Conflict of Interest shall disclose to the chair of the meeting all facts material to the Conflict of Interest. The chair shall report the disclosure at the meeting and the disclosure shall be reflected in the minutes of the meeting.
3. A person who has a Conflict of Interest shall not participate in or be permitted to hear the boards or committee's discussion of the matter except to disclose material facts and to respond to questions. Such person shall not attempt to exert his or her personal influence with respect to the matter, either at or outside the meeting.
4. A person who has a Conflict of Interest with respect to an Agreement or Transaction that will be voted on at a meeting shall not be counted in determining the presence of a quorum for purposes of the vote. The person having a conflict of interest may not vote on the Agreement or Transaction and shall not be present in the meeting room when the vote is taken, unless the vote is by secret ballot. Such person's ineligibility to vote shall be reflected in the minutes of the meeting. For purposes of this paragraph, a member of the board of directors of ACAM has a Conflict of Interest when he or she stands for election as an officer or for re-election as a member of the board of directors.
5. Responsible Persons who are not members of the board of directors of ACAM, or who have a Conflict of Interest with respect to an Agreement or Transaction that is not the subject of board or committee action, shall disclose to the Chair or the Chair's designee any Conflict of Interest that such Responsible Person has with respect to an Agreement or Transaction. Such disclosure shall be made as soon as the Conflict of Interest is known to the Responsible Person. The Responsible Person shall refrain from any action that may affect ACAM's participation in such Agreement or Transaction.
6. In the event it is not entirely clear that a Conflict of Interest exists, the individual with the potential conflict shall disclose the circumstances to the Chair or the Chair's designee, who shall determine whether there exists a Conflict of Interest that is subject to this policy.
7. If appropriate, the Chair or the Chair's designee may appoint a disinterested person or committee to investigate alternatives to the proposed transaction or agreement. If it is determined that a more advantageous transaction or arrangement is not reasonably possible under the circumstances not resulting in Conflict of Interest, the board of directors or committee may determine by a majority vote of the disinterested directors whether the transaction or agreement is in ACAM's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, a decision to enter into the transaction or agreement may be decided.
8. If the Chair or the Chair's designee has reasonable cause to believe a Responsible Person has failed to disclose actual or possible Conflict of Interest, the Responsible Person will

be informed including the basis of such belief and afford the Responsible Person an opportunity to explain the alleged failure to disclose. If, after hearing the Responsible Person's response and after making further investigation as warranted by the circumstances, the Chair or the Chair's designee shall inform the board of directors of the failure to disclose an actual or possible Conflict of Interest. The board of directors shall take appropriate disciplinary and corrective action.

## **Article VI Confidentiality**

Each Responsible Person shall exercise care not to disclose confidential information acquired in connection with such status or information the disclosure of which might be adverse to the interest of ACAM. Furthermore, a Responsible Person shall not disclose or use information relating to the business of ACAM for the personal profit or advantage of the Responsible Person or a Family Member or the Responsible Person's company.

## **Article VII Review of Policy**

1. Each new Responsible Person shall be required to review a copy of this policy and to acknowledge in writing that he or she has done so.
2. Each Responsible Person shall annually complete a disclosure form identifying any relationships, positions, or circumstances in which the Responsible Person is involved that he or she believes could contribute to a Conflict of Interest arising. Such relationships, positions, or circumstances might include service as a director of or consultant to a not-for-profit organization, or ownership of a business that might provide goods or services to ACAM. Each Responsible Person should also disclose to the board of directors any potential Conflict of Interest that may arise during the course of the year between the submissions of annual disclosure forms. Any such information regarding business interest of a Responsible Person or a Family Member shall be treated as confidential and shall generally be made available only to the Chair, the Chief Executive Officer, and any committee appointed to address Conflicts of Interest, except to the extent additional disclosure is necessary in connection with the implementation of this policy.
3. This policy shall be reviewed annually by each member of the board of directors. Any changes to the policy shall be communicated immediately to all Responsible Persons.

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I understand that a financial or other interest is not necessarily a conflict of interest and that a person who has a financial or other interest may have a conflict of interest only if the Board of Directors decides that a conflict of interest exists.

I understand that after disclosure of the financial or other interests and all material facts, and after any discussion by the Board with me, that I must leave the Board or committee meeting while the determination of a conflict of interest is discussed and voted upon and that the remaining board or committee members shall decide if a conflict of interest exists.

I affirm that I have received a copy of the Conflict of Interest and Disclosure of Certain Interests Policy of the Alliance of Community Assistance Ministries, Inc. (ACAM), that I have read and understand the policy, and that I will comply with this policy.

I understand that ACAM is a charitable organization and in order to maintain its federal tax exemption, it must engage primarily in activities which accomplish one or more of its tax-exempt purposes as defined by the Internal Revenue Service. I agree to comply with ACAM's Conflict of Interest and Disclosure of Certain Interests Policy and to abide by the decision of the Board of Directors in their determination of whether my financial or other certain interests are a Conflict of Interest.

Printed Name: \_\_\_\_\_

Signature: \_\_\_\_\_

ACAM Affiliation/Title: \_\_\_\_\_

Date: \_\_\_\_\_

## **Alliance of Community Assistance Ministries, Inc. (ACAM) Whistleblower Policy**

The Alliance of Community Assistance Ministries, Inc. (ACAM) Board of Directors adopts the following policy, approves its inclusion in the organization's employee handbook, and directs the Chief Executive Officer to ensure that the policy is (1) provided to all employees and volunteers, and (2) included in new employee orientation as well as ongoing training programs for employees and volunteers.

ACAM's Code of Ethics requires board, employees, and volunteers to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. Employees and representatives of the organization must practice honesty and integrity in fulfilling their responsibilities and comply with all applicable laws and regulations.

The objectives of the ACAM Whistleblower Policy are to establish policies and procedures for the following:

- The submission of concerns regarding questionable accounting, audit, or general operating policy matters by employees, directors, officers, volunteers, and other stakeholders of the organization, on a confidential and anonymous basis.
- The receipt, retention, and treatment of complaints received by the organization regarding reported matters.
- The protection of directors, volunteers, and employees reporting concerns from retaliatory actions.

### **Reporting Responsibility**

Each director, volunteer, and employee of ACAM has an obligation to report in accordance with this whistleblower policy (a) questionable or improper accounting, audit or general operating policy matters, and (b) violations and suspected violations of ACAM's Code of Ethics.

### **Acting in Good Faith**

Anyone reporting a concern must act in good faith and have reasonable grounds for believing the information disclosed indicates an improper accounting, auditing, or general operating policy practice, or a violation of the code of ethics. The act of making allegations that prove to be unsubstantiated, and that prove to have been made maliciously, recklessly, or with the foreknowledge that the allegations are false, will be viewed as a serious disciplinary offense. It may also result in discipline, up to and including dismissal from the volunteer position or termination of employments. Such conduct may also give rise to other actions, including civil lawsuits.

## **Confidentiality**

Reports of concerns, and investigation pertaining thereto, shall be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

Disclosure of reports of concerns to individuals not involved in the investigation will be viewed as a serious disciplinary offense and may result in discipline, up to and including termination of employment. Such conduct may also give rise to other actions, including lawsuits.

## **Authority of the Executive Committee**

All reported concerns will be forwarded to the executive committee in accordance with the procedures set forth herein. The executive committee shall be responsible for investigating and making appropriate recommendations to the board of directors, with respect to all reported concerns.

## **Reporting Concerns**

### **Encouragement of Reporting**

ACAM encourages complaints, reports, or inquiries about illegal practices or serious violations of the code of ethics, including illegal or improper conduct by the organization itself, by its leadership, or by others on its behalf. Appropriate subjects to raise under this policy would include financial improprieties, accounting or audit matters, ethical violations, or other similar illegal or improper practices or policies. Other subjects on which the organization has existing complaint mechanisms should be addressed under those mechanisms, such as raising matters of alleged discrimination or harassment through the organization's human resources channels, unless those channels are themselves implicated in the wrongdoing. This policy is not intended to provide a means of appeal from outcomes in those other mechanisms.

### **Employees**

Employees should first discuss their concern with their immediate supervisor. If, after speaking with his or her supervisor, the individual continues to have reasonable grounds to believe the concern is valid, the individual should report the concern to the assistant director. However, if the individual is uncomfortable speaking with his or her supervisor, or the supervisor is a subject of the concern, the individual should report his or her concern directly to the assistant director or a level above the supervisor. In addition, suspected fraud should be reported directly to the chair of the ACAM Board of Directors, Mr. Greg Hambrick, who may be contacted by phone at (832) 452-2794, by e-mail [tghambrick@gmail.com](mailto:tghambrick@gmail.com).

If the concern was reported verbally to the assistant director, the reporting individual, with assistance from the assistant director, shall reduce the concern to writing. The assistant director is required to promptly report the concern to the chair of the executive committee, which has specific and exclusive responsibility to investigate all concerns. If the assistant director, for any reason, does not promptly forward the concern to the executive committee, the reporting individual should directly report the concern to the chair of the executive committee. Concerns may also be submitted anonymously. Such anonymous concerns should be in writing and sent directly to the chair of the executive committee.

**Directors, Volunteers, and Other Stakeholders**

Directors, volunteers, and other stakeholders should submit concerns in writing directly to the chair of the executive committee.

**Handling of Reported Violations**

The executive committee shall address all reported concerns. The chair of the executive committee shall immediately notify the executive committee and Chief Executive Officer of any such report. The chair of the executive committee will notify the sender and acknowledge receipt of the concern within five business days, if possible. It will not be possible to acknowledge receipt of anonymously submitted concerns.

All reports will be promptly investigated by the executive committee, and appropriate corrective action will be recommended to the board of directors, if warranted by the investigation. In addition, action taken must include a conclusion or follow-up, with the complainant for complete closure of the concern.

The executive committee has the authority to retain outside legal counsel, accountants, private investigators, or any other resource deemed necessary to conduct a full and complete investigation of the allegations.

My signature below indicates my receipt and understanding of the whistleblower policy. I also verify that I have been provided with an opportunity to ask questions about the policy.

\_\_\_\_\_  
Employee, officer or volunteer signature

\_\_\_\_\_  
Date







## **Alliance of Community Assistance Ministries, Inc. (ACAM) Document Retention and Destruction Policy**

### **Article I Purpose**

It is the intent of the Alliance of Community Assistance Ministries, Inc. (ACAM) to establish an ongoing, coordinated, administrative effort to systematically manage documents and records. The purpose of this policy is to ensure that documents are secure, accessible, maintained, and destroyed according to business practices that are practical, while still meeting the legal requirements applicable to the ACAM. In addition, the policy identifies the record retention responsibilities of staff, volunteers, members of the board of directors, and outsiders for maintaining and documenting the storage and destruction of the organization's documents and records. These guidelines apply to both electronic and paper-copy documents.

### **Article II Procedures**

1. ACAM's staff, volunteers, members of the board of directors, committee members and outsiders (independent contractors via agreements with them) are required to honor the policy guidelines. ACAM's staff is responsible for preserving the safety and confidentiality of documents in the organization's possession. Documents should be maintained at ACAM's office to provide for their security and preserve their usefulness to ACAM when possible. Any off-site storage shall follow the same guidelines regarding safety and confidentiality. Additional security measures should be employed to ensure appropriate disclosure when confidential or private information is given to board members or others.
2. Documents should be maintained until the end of the identified retention period, and should then be destroyed in an appropriate manner. Sensitive documents such as those containing financial, account, or personnel information should be destroyed with no reasonable rise of the information being recovered.
3. Unless otherwise noted, all retention periods shall begin at the end of the year when the tax return (Form 990 or otherwise) is filed for the year to which the document applies. If the statute of limitations concerning a tax year is extended, retention should be extended accordingly.
4. All permitted document destruction shall halt if the organization is being investigated by a governmental law enforcement agency, and routine destruction shall not resume without the written approval of legal counsel.
5. No paper or electronic documents will be destroyed or deleted as required to comply with government auditing standards (OMB Circular A-133, Single Audit Act).

**Article III**  
**Documents to be Permanently Retained**

1. Annual financial statements
2. Annual grant listing
3. Articles of incorporation
4. Audited financial reports
5. Board of director minutes
6. Building and site drawings
7. Bylaws
8. Checks (cancelled) for important expenditures (e.g. taxes, property, large purchases, or special contracts)
9. Contracts and leases still in effect
10. Correspondence (legal and important matters)
11. Deeds, mortgages, and bills of sale
12. Depreciation schedules
13. Donation records for endowment funds and significant restricted funds
14. General ledgers
15. Insurance policies, claims, and current accident reports
16. Retirement and pension records
17. Tax returns and supporting workpapers, revenue agent reports, and any documents related to tax liability
18. Trademark registrations and copyrights

**Article IV**  
**Documents with Scheduled Destruction**

<b>Document Type</b>	<b>Minimum Suggested Retention</b>
Accounts Payable and receivable ledgers	7 years
Authorization for expenditures	7 years
Bank Statements and reconciliations	10 years
Checks (cancelled), general (see exceptions for permanently retained checks)	10 years
Contracts and leases (once expired)	10 years
Correspondence, general	5 years
Correspondence (with customers and vendors)	7 years
Donation records, general	10 years
Duplicate deposit slips	10 years
Employment applications	3 years
Employee personnel records (after termination)	7 years
Expense analysis/distribution schedules	7 years
Internal reports, miscellaneous	5 years
Internal audit reports	7 years
Inventories of products, materials, or supplies	7 years
Invoices (from vendors, to customers)	7 years
Payroll records and summaries	7 years
Purchase orders	7 years
Tax withholding statements	7 years
Timesheets	7 years
Volunteer records	3 years



**ALLIANCE OF COMMUNITY ASSISTANCE MINISTRIES, INC.**  
**COST ALLOCATION PLAN**  
 Updated 9/26/2022

Alliance of Community Assistance Ministries, Inc. (ACAM) is a 501(c)(3) public charity and management support organization (MSO) founded in 2004 and incorporated in 2011. ACAM administers grants in accordance with the provisions of Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and the State of Texas Uniform Grant Management Standards. ACAM is a multi-funded organization operating numerous Federal, State, and local programs. The center of all activities and different modes of delivery radiates from the administrative office located in Houston, Texas. Listed below is a summary table of ACAM programs.

PROGRAM	FUNDING SOURCE	DESCRIPTION
Emergency Solutions Grant (ESG)	Texas Department of Housing & Community Affairs (TDHCA); Foundations	Core funding used to support homelessness prevention and promote self-sufficiency through case management.
Emergency Food and Shelter Program (EFSP)	United Way Worldwide; Federal funds through FEMA	A federally funded, needs-based program supplying food, shelter and supportive services to those experiencing an economic emergency.
Organizational & Network Development	Private Foundations	Comprehensive organizational development program including assessment, consulting, and training designed for community assistance ministries assisting families with incomes below the federal poverty guidelines.
Training & Networking	Private Foundations, Program fees	High quality training to community assistance ministries leadership and staff.
Community Education & Outreach	Private Foundations and Corporate Sponsorships	Representation of community assistance ministries that act as service hubs for those in need in the Houston Region.
Collaborative Initiatives	Private Foundations; Harris County	Various initiatives aimed at alleviating poverty and increasing self-sufficiency of families in need.
Management Support	Private Foundations, Individual Contributions	Provide management support for the local nonprofit community.
Miscellaneous grants	Counties, Cities, United Way, Foundations and Local Contributions	Support organization programs and organization mission to provide opportunities & resources to improve the lives of Houston region Texans

**Description and Justification of Allocation Rationale**

ACAM charges costs that are reasonable, allowable, and allocable to a Federal award directly or indirectly. All unallowable costs are appropriately segregated in the general ledger to ensure that they are not charged to Federal or State awards.

### **Segregating Unallowable from Allowable Costs**

The following steps shall be taken to identify and segregate costs that are allowable and unallowable with respect to each Federal award:

1. The budget for each federal or state award shall be reviewed for costs specifically allowable or unallowable.
2. Department Directors and Accounting personnel shall be familiar with the allowability of costs in accordance with the requirements of Subpart E, Cost Principles, of the Uniform Guidance, particularly:
  - a. Allowable and unallowable costs listed in Subtitle V, General Provisions for Selected Items of Cost, of Subpart E.
  - b. Indirect costs requiring prior written approval from Federal agencies in advance of incurring and charging such costs to federal programs as required by section 407 of the Uniform Guidance.
3. No costs shall be charged directly to any Federal award until the cost has been determined to be allowable under the terms of the award and the Uniform Guidance.
4. For each Federal award, an appropriate set of general ledger accounts (or account segments) shall be established in the chart of accounts to reflect the categories of allowable costs identified in the award or the award budget.
5. All items of miscellaneous income or credits, including the subsequent write-offs of uncashed checks, rebates, refunds, and similar items, shall be reflected for grant accounting purposes as reductions in allowable expenditures if the credit relates to charges that were originally charged to a Federal award or to activity associated with a Federal award. The reduction in expenditures shall be reflected in the year in which the credit is received (i.e., if the purchase that results in the credit took place in a prior period, the prior period shall not be amended for the credit).

### **Criteria for Allowability**

All costs must meet the following criteria to be allowable direct or indirect costs under a Federal award.

The cost must be reasonable for the performance of the award, considering the following factors:

1. Whether the cost is of a type that is generally considered as being necessary for the operation of the performance of the award;
2. Restraints imposed by such factors as generally accepted sound business practices, arm's length bargaining, Federal and state laws and regulations, and the terms and conditions of the award;
3. Whether the individuals concerned acted with prudence in the circumstances;
4. Consistency with established policies and procedures of the Organization, deviations from which could unjustifiably increase the costs of the award.
5. The cost must be "allocable" to an award by meeting one of the following criteria:

- a. The cost is incurred specifically for a Federal award;
  - b. The cost benefits both the Federal award and other work, and can be distributed in reasonable proportion to the benefits received; or
  - c. The cost is necessary to the overall operation of the Organization, except where a direct relationship to any program or group of programs cannot be demonstrated.
6. The cost must conform to any limitations or exclusions contained in Subpart E of the Uniform Guidance or in the Federal award as to types or amount of cost items.
  7. Treatment of costs must be consistent with policies and procedures that apply to both federally financed activities and other activities of the Organization.
  8. Costs must be accorded consistent treatment over time.
  9. The cost must be determined in accordance with generally accepted accounting principles (GAAP)
  10. Costs may not be included as a cost or used to cost sharing or matching requirements of any other federally-financed program in either the current or prior periods.
  11. The cost must be adequately documented.

### **Direct Costs**

Direct costs are costs that can be identified specifically with a federal award or other cost objective in the Organization.

Each invoice shall be coded with the appropriate account number, class and subclass reflecting which program receives direct benefit from the expenditure. Invoices are reviewed and coded by the Compliance & Reporting Specialist (CRS), approved by ACAM's CEO and sent to our contract accounting firm for final review and entry into the accounting system.

Time sheets or personnel activity reports are also submitted on a regular basis, reflecting employees' work and which programs directly benefited from their efforts. Time sheets or personnel activity reports shall serve as the basis for charging salaries directly to Federal awards and non-Federal functions.

Equipment purchased for exclusive use on a Federal award and reimbursed by a Federal organization shall be accounted for as a direct cost of that award (i.e., such equipment shall not be capitalized and depreciated). However, ACAM will track any purchase that meets the \$5,000 equipment threshold on a depreciation schedule and record annual adjustments as necessary.

### **Indirect, Shared and Joint Costs**

Indirect and joint costs are costs that cannot be specifically identified with a particular federal award or cost unit or that benefit one or more federal awards and other cost units. These costs are allocated using the most reasonable bases that reflect the benefits received by the affected federal programs or cost units.

The following basis will be used:

- a. Facilities lease, information technology, copier rental (including service agreements, maintenance, repairs and supplies such as ink, paper, etc.) and related costs will be allocated based on prior experience with the documented amount of time all employees have spent on each program.
- b. Costs of the PEO fees and benefits will be allocated based on the current period portion of time spent on each program per employee with the exception of health insurance costs for coverages that are not managed by ACAM's PEO. Health coverage costs will be allocated based on actual payroll for a period in which the benefits were received but not less than annually.
- c. Accounting fees paid for ESG are charged directly to the program and included in the program's administration cost category. Operating accounting costs are coded to management. Program-specific accounting costs are allocated to the applicable program. Audit expenses are allocated based on annual actual payroll distribution by program for the year audited.
- d. Required IRS filings (i.e. Form 990), general liability insurance, cyber security, crime bond and Directors and Officers insurance are allocated based on actual payroll distribution by program for the applicable period.

**Program Expenses:**

Expenses that can be identified specifically for a particular program are charged directly to that program. Management staff codes invoices to the appropriate program and department. Salary and fringe costs for program personnel, as well as travel, supplies, and other costs related to each grant are charged directly to the appropriate grant.

ACAM is multi-funded Management Support Organization (MSO) that serves to support other nonprofits. As such, ACAM does not serve clients directly but contracts with other organizations/ministries which provide direct client services. ACAM employs a lean highly professional staff in minimal office space. Expenses incurred by the partners/contractors are recorded separately in QuickBooks maintained by a fiscal consultant engaged to verify that the costs reported by the contracted ministries are allowable in accordance with federal and state regulations and the provisions of ESG Program contracts. This allows ACAM to separate program costs incurred by each participating program partner. Total costs incurred and approved on behalf of the ministries are then entered into ACAM's accounting records via journal entries.

ACAM's costs associated with the administrative, personnel, payroll, and accounting departments are charged directly to the cost center at the time of payment whenever possible including administrative costs. ACAM has engaged Nextep, a Professional Employment Organization (PEO), to provide payroll and related services. This allows ACAM to have significant ability to record staff time by program in real time. Since ACAM records payroll costs based on actual time spent per employee by class and subclass only after the pay period has ended, payroll costs provide the most reasonable basis to allocate indirect payroll costs and other costs to programs and other cost centers.

If adjustments are necessary, at the time the bases are recalculated, the CRS will compare the amount that had been charged during the reporting period against the actual basis and make



adjustments. The table on the following page summarizes ACAM’s methods of directly allocating expenses which produces an equitable sharing of the cost by each program in proportion to the amount of benefit received. Any item not specifically listed in the table will be allocated using the most appropriate basis.

**Sample Shared Cost Allocation**

DEPT CODE		
01	Management 01	10%
02	Fund Development 02	5%
03	Partner Organizations: Organizational & Network Development 03 – 301	3%
03	Partner Organizations: PACE 03-302	3%
03	Partner Organizations: Resiliency FIRST 03-303	3%
04	Training & Networking: Member Training & Networking 04-401	6%
05	Community Education & Outreach 05	3%
06	Homelessness Prevention: HP Private 06-602	2%
07	Disaster Relief Private 07-706	2%
07	Collaborative Initiatives: EFSP Phase 39 07-709-4	8%
07	Collaborative Initiatives: EFSP Phase ARPA-R 07-709-5	10%
07	Collaborative Initiatives: ERA-HSS2 public 07-711-1	10%
08	ESG 13 public 08-815-1; ESG 14 public 08-816-2	4%
08	ESG 13 match 08-815-2; ESG 14 match 08-816-2	4%
09	MSO Services 09-902	2%
10	OY Workforce public (2021-22) 1102-1	19%
11	Youth Collab Management 11-1101-1	6%
		<b>100%</b>

TYPE OF SERVICE	BASES FOR DIRECT ALLOCATION
Auditing services	Annual allocation of actual payroll per program
Building costs, such as: o Rent (or use allowance)	Prior experience with the documented amount of time all employees have spent on each program
Employee retirement employer contributions (SEP-IRA)	Based on the quarterly distribution of payroll by program
Insurance for employees: o Life o Long term disability o Workman's compensation Unemployment compensation	Actual amount per payroll for each program
Insurance for employees: Health insurance	Prior experience with the documented amount of time all employees have spent on each program
Legal services	Direct hours of service for each program
Employee mileage reimbursement	Miles driven for each program
Postage	Prior experience with the documented amount of time all employees have spent on each program
Copier rental; service agreements; maintenance & repairs; supplies (ink, paper, etc.)	Prior experience with the documented amount of time all employees have spent on each program
Telephone charges and any service agreement	Prior experience with the documented amount of time all employees have spent on each program
IT costs and support	Prior experience with the documented amount of time all employees have spent on each program
Internet	Prior experience with the documented amount of time all employees have spent on each program

### **ACAM Indirect Expense Cost Allocation Plan**

All distributions by class/department are completed at the time of check request. Expenses associated with specific departments, projects, or grants are charged to that specific area when expensed. The general operating expenses are allocated among the funding areas based on the allocation methods previously outlined. All operating expenses shall be allocated at the time of the check request whenever possible. Expenses associated with specific departments, projects, or grants are charged to that specific area when expensed in the general ledger. In QuickBooks, payroll expenses are allocated based on personnel time spent on programs, allocated across all departments, programs, grants, and funding sources as follows:

1. Management 01
2. Fundraising 02
3. Org. & Network Development-OND (Capacity Building) 03
  - a. In-Network Partner OND (Member Capacity Building) (03-301)
  - b. Non-Member Capacity Building – PACE (03-302)
  - c. Resiliency FIRST (03-303)
4. Training & Networking (T&N) 04
  - a. Member T&N (04-401)
  - b. Funder/Member Events (04-402)
5. Community Ed. & Outreach 05
6. Homelessness Prevention (HP) 06
  - a. HP Public (06-601)
  - b. HP Private (06-602)
7. Collaborative Initiatives 07
  - a. Disaster Private (07-706)
  - b. EFSP (07-709 series)
  - c. ERA-HSS2 (711-1 & 711-2)
8. ESG 08
  - a. ESG 13 (08-815-1); ESG 14 (08-816-1)
  - b. ESG Match (08-815-2); (08-816-2)
9. Management Support Services 09
  - a. MSO Services (09-902)
10. Employment 10
  - a. REACH public (10-1001-1)
  - b. REACH private (10-001-2)
  - c. OY Workforce public (NextGen 2021-22) (10-1002-1)
  - d. OY Workforce private (NextGen 2021-22) (10-1002-2)
  - e. OY Workforce public (NextGen 2022-23) (10-1002-3)
  - f. OY Workforce private (NextGen 2022-23) (10-1002-4)
11. Youth Collab. (GHOYC) 11
  - a. Youth Collab (GHOYC) 1101-1
  - b. OYC Fundraising 11-02-1
  - c. OYC Lived Experience 1103-1
  - d. OYC Training 1104-1

ACAM utilizes a timesheet format that allows employees to record actual hours worked by program. Each employee breaks down each day by Cost Center (program) and when the timesheets are processed the salary and fringe expense is charged to the appropriate program. All other center costs such as telephone, internet, technology services, rent, and

supplies are allocated by the actual payroll for a period in which the benefits were received but not less than annually.

## Certificate of Cost Allocation Plan, Central Service Plan, or Indirect Cost Plan

This is to certify that I have reviewed the cost allocation plan submitted herewith and to the best of my knowledge and belief:

1. All costs included in this proposal dated 9/26/2022 to establish cost allocations, billings are reasonable, allocable and necessary for the performance of grant activity and are allowable in accordance with the requirements of 2 CFR 230, entitled “Cost Principles for Non-Profit Organizations”, the TWC Financial Manual for Grants and Contracts, Chapter 11, “Cost Allocation and Resource Sharing” and the Federal awards to which they apply. Unallowable costs have been adjusted prior to allocating costs as indicated in the cost allocation plan, central service plan, or indirect cost plan.

2. All costs included in this proposal are properly allocable to Federal awards on the basis of a beneficial or causal relationship between the expenses incurred and the awards to which they are allocated in accordance with applicable requirements. Further, the same costs that have been treated as indirect costs have not been claimed as direct costs. Similar types of costs have been accounted for consistently and the Federal and State government will be notified of any accounting changes that would affect the predetermined rate.

I declare the foregoing is true and correct.

Non-Profit Organization

Alliance of Community Assistance Ministries, Inc.

Signature



Name of Official

Sharon J. L. Zachary, MA

Title

CEO



## **Alliance of Community Assistance Ministries, Inc. (ACAM) Physical and Virtual Gift Cards and Digital Payments Policy**

**Effective 7/18/22**

The mission of the Alliance of Community Assistance Ministries, Inc. (ACAM) is *to advance collaboration to create community-wide solutions for thriving nonprofits, neighborhoods and families*. ACAM’s vision is of “an innovative, connected network that ensures families in need have a path to stability, health, and wealth”. In the course of conducting normal business, ACAM has opportunities to provide non-cash assistance and program incentives to clients in need and stipends to participants in Lived Experience groups in the form of physical and digital gift cards. In addition, ACAM may issue digital payments as a method for paying vendors or issuing stipends (when program requirements allow). It is responsibility of staff to be knowledgeable about the differing rules about the issuance of physical gift cards, virtual gift cards or digital payments according to the funding source and program.

### **Article I Purpose**

Only authorized staff may issue physical gift cards, virtual gift cards and digital payments. This policy is to ensure that ACAM practices appropriate financial stewardship regarding the purchase and distribution of physical gift cards and virtual gift cards as well as digital payments. The provisions of these policies apply to all ACAM programs and services for which these payment methods are utilized. This is a general policy, and it is the responsibility of staff to follow any separate and more detailed policies governing the issuance of gift cards and digital payments funded by a specific program.

### **Article II Required Recipient Documentation for Disbursement**

Before a gift card or digital payment can be issued, it must be determined if the participant is required to complete IRS Form W-9 Request for Taxpayer Identification and Certification and submit it to ACAM. For virtual gift cards or digital payments, the recipient must also complete the designated form to certify their identifying information such as email address and/or username to ensure funds are delivered properly.

### **Article III Selecting a Method of Program Funds Disbursement to Clients**

Program restrictions and requirements must be considered when selecting a method of disbursement for client payments. Consult with the appropriate program manager for specific program guidelines. Additional guidelines include the following:

1. Good financial stewardship should be practiced. Fees, expiration, and utility should all be evaluated when selecting a method of payment.
2. Issuance to the client and receipt of physical or virtual cards must be documented.
3. Physical gift cards should never be mailed to a client as they function like cash and are not able to be recovered if lost or stolen and the needed verification of receipt is more complex if not obtained at the time of the distribution of the card to the client.

#### **Article IV Selection of Physical and Virtual Gift Cards**

Prior to purchase, the acceptability of specific physical or virtual gift cards should be carefully considered according to the guidelines and requirements of the program for which the cards will be used. The extent of goods or services for which a card can be used, as well as any restrictions inherent to the card, are important factors when selecting appropriate cards to disburse. Whether physical or virtual, cards should not be redeemable for cash. The program manager will select and authorize specific cards most appropriate for their program. In the case of virtual gift cards, the service used for distribution must have the ability to capture documentation showing issuance to a client as well as receipt by the client. In addition, most programs disallow cards specific to entertainment; therefore, cards for entertainment should be avoided (e.g. restaurants, music, theater, gaming etc.).

#### **Article V Selection of Digital Payment Vehicles**

Digital payments are distinct from physical and virtual gift cards. A digital payment, sometimes called an electronic payment, is the transfer of value from one payment account to another using a digital device such as a mobile phone, POS (Point of Sales) or computer. Some examples of digit payments include:

1. purchases paid for through mobile wallets (cell phones and smartwatches)
2. money transfers through mobile payment service apps and QR codes (e.g., PayPal, Venmo, Zelle, etc.)
3. Online-based purchases (e.g., browsers or apps)

A digital payment is considered direct cash equivalent assistance when paid directly to a program participant or client. It may be in lieu of providing direct financial support or assistance in the form of a check (or cash) and is generally not allowable under most federal programs if the digital payment is paid to(?)a program participant directly. However, digital payments may be a way to expedite payment to a vendor that is not the program participant (e.g. landlord, utility company) when the issuance of a check is not possible. With many digital payment vehicles available, the following requirements should be evaluated before selecting which vehicle(s) will be used:

1. Accessibility of the vehicle through both a smart phone and computer platform
2. Payment limits
3. Fees associated with making payments

4. Speed in which payments are received by the vendor (or program participant when allowable)
5. Speed in which funds can be transferred without fees to a bank account
6. Ability to disburse funds from a computer platform
7. Ability to capture documentation showing payment as well as receipt of funds.

Those authorized to disburse funds within an organization should authorize the digital payment vehicle(s) selected to disburse program funds.

## **Article VI**

### **Purchasing Physical Gift Cards and Tracking Inventory**

Physical gift cards can only be purchased with approval of type, face value, and quantity from a program manager. The program manager should also advise whether the purchase date of the physical gift cards must be within a certain date window according to the program guidelines. A request for the purchase of gift cards will be submitted to the accounting department and the accounting department will prepare a disbursement for the purchase, obtain authorization, and then make the purchase of the gift cards. The accounting department will obtain a receipt and ensure that the gift cards have an inventory and distribution log with the correct identifying information for each card (e.g. purchase date, serial number, type of card/store, date of distribution, distributor of the card including signature, name of supervisor or accounting designee including signature, name of recipient including signature etc.).

Physical gift cards should be stored in a locked box or cabinet by the program manager or his or her designee. When a gift card is issued to a client, the issuer will record the recipient's name, amount, gift card description, and card serial number in the gift card distribution log. Two staff signatures are required in the log for each card distributed. A dated client signature in the log is required to acknowledge receipt.

Physical gift cards will be inventoried at the beginning of each month, with two staff members participating in the inventory process. An inventory report should be completed to reconcile the ending count of the previous month with the current count in hand, taking into consideration additional cards purchased and cards distributed during the period. A copy of the inventory report will be kept with the gift card log. The original inventory report and a copy of the gift card log showing cards issued since the last inventory will be given to the accounting department.

In the event a gift card is lost or misplaced, the employee charged with the gift card should report it immediately to their supervisor. The employee should then write and sign a statement describing the misplacement and submit it with the inventory at the beginning of the next month.

Efforts should be made to prevent gift cards from expiring or incurring dormant use fees. The program director and their designee should monitor the gift card inventory for expirations and take appropriate action when necessary to arrange with another program to use the expiring gift card or seek acceptable terms on which to liquidate the gift card. Physical gift cards purchased for a program should never be given to employees or volunteers as gifts.



## **Article VII Purchasing Virtual Gift Cards or Disbursing Digital Payments**

Limited staff shall have the ability to purchase and issue virtual gift cards and digital payments. The process and authorization of such purchases shall follow procedures aligned with the process for issuing vendor payments by check. A password of random letters, numbers, and symbols as allowed for by each site will be used and secured safely at all times. The password should not be stored in the computer or browser software unsecured. A different password should be used for each payment vehicle.

Virtual gift cards will not be pre-purchased and will be purchased only after the proper procedures for requesting a payment and receiving authorization have been fulfilled by the program manager or their designee for a specific client or participant. Prior to the purchase of a virtual gift card or disbursement of a digital payment a request form indicating recipient's name, recipient's email address or account username, gift card type, and amount along with the program manager's and case manager's signatures must be filled out. Staff should verify whether an IRS W-9 form is required and/or verify that the form on file is current. The request form should be filed physically and digitally for future reference.

A confirmation of purchase and a confirmation of receipt should be produced, either physically or digitally, for each virtual gift card or disbursement of digital payments. The receipt should be filed physically and digitally for future reference.

## **Article VIII Accounting Procedures**

Physical gift cards should be recorded as an asset by the accounting department until issued to clients. Using the monthly inventory report and the gift card log, the cost of the gift cards issued should be credited to the asset account and debited to the appropriate program as an expense. The accounting department will verify that the gift cards reported on hand reconcile with the amount left in the asset account. Virtual gift cards and digital payments are charged to the program at the time they are incurred. A representative from the accounting department may contact the program designee without notice to conduct an audit of physical inventory.

When spending program funds, it is important to keep in mind that the funds allotted for gift cards are only considered spent after they have been issued to the client

Fees associated with the purchase of physical or virtual gift cards or the disbursement of digital payments may or may not be acceptable expenses under the program. If not, these fees should be recorded as non-program expense. Ask the program manager for clarification on the proper expensing of these fees.



# ACAM Investment Policy Statement

## Approved 8/11/2023

### **Introduction:**

This investment policy Statement (IPS) is intended to provide guidance for the establishment of unrestricted investment programs. The Board may establish the three following unrestricted investment programs at its

discretion:

- 1) Operations Reserve Program (ORP)
- 2) Intermediate Reserve Program (IRP)
- 3) Long-Term Reserve Program (LTRP)

The establishment of a restricted investment program(s), such as an endowment, requires the amendment of this IPS. All amendments to the IPS must be approved by the Board of Directors (Board).

### **Purpose:**

The purpose of this Investment Policy Statement (IPS) is to assist the Board of ACAM in effectively planning, overseeing, monitoring, and evaluating the management of ACAM's investments. This document will provide a summary regarding the investment objectives, risk tolerance, and liquidity needs. This information is being used to maintain an appropriate and effective investment plan.

### **Investment Objective:**

ACAM's Finance and Audit Committee (FC), with authority from the Board, will manage the investments in a manner consistent with the provisions of this IPS, applicable laws and regulations.

The objectives of the investment programs have been established in conjunction with a comprehensive review of ACAM's current and projected financial requirements. The overall investment objective for the programs is conservative.

The primary goals are:

- 1) ORP - Capital preservation with market rate of income
- 2) IRP – Capital preservation with modest growth. This means ACAM will accept a low to moderate level of volatility and risks.
- 3) LTRP – Capital preservation with returns consistent with a long-term diversified portfolio of securities implying a long-term investment time horizon (five years or longer) and a moderate to high level of volatility and risk. Over a full market cycle, the return expectation is inflation plus 3%, with a focus on limiting, to the extent feasible, the downside risk of the portfolio.

All investment income, including interest, dividends, and realized gains and losses, will be reflected in ACAM's income statement.

### **Time Horizon:**

The guidelines are based on investment horizons.

- 1) ORP – 0 to 12 months. The ORP may be invested in cash equivalents and Short-Term Investments (defined below).
- 2) IRP – 1 to 5 years. Interim fluctuations in the financial position of the IRP are to be expected and should be viewed in the context of the medium-term objectives and strategies. The IRP's strategic allocation is based on this time horizon and may be invested in a combination of cash equivalents, Short-Term Investments, and longer-term fixed income securities (defined below)
- 3) LTRP – in excess of 5 years. Fluctuations in the market value of the LTRP may be significant despite diversification of the investment portfolio. In addition, risk tolerance may change over time due to the organization's financial conditions and spending plans. Thus, the Board will approve the retention of an investment consultant/advisor, based upon the recommendation of the FC, prior to investing assets in the LTRP.

### **Asset Allocation:**

The Operating Reserve Program (ORP) may be invested in a combination of cash equivalents (Cash EQ) and Short-Term Investments.

- 1) Cash EQ are defined as highly liquid investments that are readily convertible to known amounts of cash and are so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Cash EQ securities must have a maturity of ***three months or less at the time of purchase***. Cash EQ includes Money Market Mutual Funds, short-term Certificates of Deposit (CDs), Commercial Paper (CP) and US Treasury Bills (T Bills).
- 2) Short-Term Investments are defined as highly liquid investments with a maturity of ***one year or less***. Short-Term Investments include, but are not limited to, CDs, CP and T Bills and Treasury notes as well as other liquid fixed income investments with a remaining maturity of one year or less.

Intermediate Reserve Program (IRP) may be invested in a combination of cash EQ, Short-Term Investments, and liquid longer-term fixed income securities with a maturity of up to five years.

Long-Term Reserve Program (LTRP) may be invested in a combination of cash EQ, Short-Term Investments, equity, and fixed securities of various maturities and credit risk profiles. The LTRP may also contain "other" investments which encompass both marketable and non-marketable alternative investments. Marketable alternatives include, but are not limited to, commodities, Real Estate Investment Trusts (REITs), and other investment asset classes with daily liquidity. Non-marketable alternatives include, but are not limited to, hedge funds and private equity. The FC will approve investment managers and investment vehicles to secure proper management of each component of the investment mix.

The following asset classes and ranges were selected to implement the overall portfolio objective. These asset classes and ranges are reviewed regularly and may change over time.

<b>Asset Class</b>	<b>Strategic Target</b>	<b>Range</b>
<b>Cash &amp; Cash Equivalents</b>	<b>0%</b>	<b>0-5%</b>
<b>Equity Securities</b>	<b>50%</b>	<b>20%-70%</b>
<b>Fixed Income Securities*</b>	<b>50%</b>	<b>20%-80%</b>
<b>Other</b>	<b>0%</b>	<b>0%-5%</b>

\*May include cash equivalents, short-term fixed income securities as well as long-term fixed income securities.

It is anticipated that the FC will predominantly select low-cost Exchange Traded Funds (ETFs) and mutual funds to meet the objectives of the Long-Term Reserve Program (LTRP).

ACAM staff is authorized to purchase and sell Cash EQ and Short-Term Investments, including ETF and mutual fund shares that meet these definitions. ACAM staff is authorized to move funds to/from operating accounts to/from the Operating Reserve Program (ORP) as needed to cover operating needs. The FC will approve the movement of funds to/from operating accounts and/or the ORP to/from the IRP. The FC will make recommendations to the Board for approval with respect to the movement of assets to/from the ORP, IRP and/or operating accounts to/from the LTRP. Staff will report all movements of funds to the Board at the next regularly scheduled Board meeting. The Board may approve the retention of an investment consultant/advisor, based upon the recommendation of the FC, prior to investing assets in the LTRP. The Board will approve all external service providers, including brokers, custodians, and investments consultants/advisors upon recommendation by the FC.

### **Rebalancing Strategy:**

The actual investments may at times fall outside of these ranges for a variety of reasons. If the portfolio investments are significantly outside of the target asset class allocation ranges, the FC will assess the situation and take appropriate action.

### **Monitoring Investments:**

The Finance Committee will monitor and evaluate the investment funds at least annually to assess progress toward attainment of objectives and adherents to this IPS. The Board understands that there are likely to be short-term periods during which investment performance results deviate from market and relevant benchmarks.

# ELECTRONIC FUNDS TRANSFERS BETWEEN ACCOUNTS

Approved 9-6-23

## ELECTRONIC FUNDS TRANSFER (EFT) TO/FROM THE OPERATING RESERVE PROGRAM (ORP)

The Chief Executive Officer (CEO) determines when operating funds are needed in the bank account(s) or can be invested in the ORP, as described in the board-approved Investment Policy Statement (IPS). The CEO will notify the Compliance & Reporting Manager (CRM) of the amount of the proposed EFT. The CRM verifies the transfer instructions, adds the accounting codes, and enters the documents into an Excel sheet Transfer Request Form to be submitted to the CEO for signed approval. Any EFT more than \$10,000.00 requires the signature of two of the following directors/officers: the ACAM CEO, the ACAM Board Chairman or the Secretary/Treasurer.

The CEO and/or Board Chairman reviews the Transfer Request Form, approves the entries, and returns it to the CRM. ACAM retains the original version and the CRM scans and submits the original documentation to the contracted accounting service provider for processing via electronic mail. The CRM reconciles the EFT Transfer Request Forms to the bank and investment account statements.

## ELECTRONIC FUNDS TRANSFER (EFT) TO/FROM THE INTERMEDIATE RESERVE PROGRAM (IRP)

The CEO proposes transfers to/from the IRP to the Finance and Audit Committee (FC) for approval, as described in the board-approved IPS. Once FC approval has been obtained, ACAM follows the same procedure as it would for an EFT between bank account(s) and the ORP as described above.

## ELECTRONIC FUNDS TRANSFER (EFT) TO/FROM THE LONG-TERM RESERVE PROGRAM (LTRP)

The CEO proposes transfers to/from the LTRP to the Board of Directors (Board) for approval, as described in the board-approved IPS. Once Board approval has been obtained, ACAM follows the same procedure as it would for an EFT between bank account(s) and the ORP as described above.