Support, Program Service Fees, Revenue, and Receivables

**Purpose:** The intent of the following policy is to describe the manner in which service fees, solicitations, revenues and receivables are handled and managed.

**Policy:** Fund-raising activities, solicitation, and acceptance of contributions, gifts,grants, and the like, with related restrictions or requirements shall be approved by the Board of Directors.

 When CDS receives a donation, an acknowledgement thank you letter should be sent to the donor, containing information regarding tax-deductible contributions. CDS will also acknowledge donors related to specific events in press releases and other publications prepared for the public as appropriate, unless the donor prefers to remain anonymous.

 In the case where a staff member becomes aware of any kind of donor complaint an Unusual Event Report should be completed, so that an investigation and response will be developed.

 Loans to employees and Members of the Board of Directors are prohibited.

The use of program income relating to projects financed with Substance Abuse and Mental Health Funds from the Managing Entity are limited to furthering the eligible project or program objectives (See 45 C.F.R, pts 74 and 92, ss. 24 and 25).

**Procedure and/or Process:**

**Support:**

* Budgeting for contributions is based on prior years’ experience and/or contracts amounts as the basis for reasonable estimation of future year’s expectations.
* Budgets are periodically compared to actual and significant differences are considered and investigated.
* Records of all donations, including the donor’s name, amount, date, type of donation, if noncash, and any related restrictions of all contributions, gifts, received are maintained by the Prevention/Outreach Departments.
* Information and/or files should be maintained including information and correspondence and copies of pertinent documents related to donors.
* The Comptroller/DSM are responsible for assuring compliance with the terms and conditions of all grants and restricted contributions and identifying restrictions that lapse at a specified time or at the occurrence of a specified event so the resources can be appropriately used and accounted for when they become unrestricted.

**Service Fees and Revenue:**

* If applicable, fees for services through contracts that generate fees from participants are considered against the Federal Poverty guidelines and a sliding fee scale.
* The sliding fee scale is approved by the Board of Directors
* Participant fees are reconciled daily to cash and grant revenues are reconciled monthly.
* The Comptroller/DSM maintains tracking systems to determine that all reimbursable costs or contract costs are billed.
* Fees generated by contracts are recorded as receivables.

**Receivables:**

* The Fiscal Department/Data Systems Departments prepares monthly invoices for services rendered to the appropriate vendor.
* Invoices are reviewed by the Comptroller/DSM for accuracy and completeness prior to release.
* The Comptroller reconciles receivables to the general ledger monthly.
* Any adjustments required to receivable accounts must be approved by the DSM/Comptroller.
* The Comptroller will follow up on delinquent issues for collection.
* The Comptroller will write-off any uncollectible promises to give or accounts receivable.
* Miscellaneous revenue accumulated from special projects are maintained and reviewed by the Comptroller and significant amounts as well as the need to write off receivables from these sources is presented to the Board of Directors at a regularly scheduled meeting for consideration.
* Employees with receivable responsibilities are expected to take vacations and in their absence, other employees are trained and required to perform those functions.
* Computerized receivable records are limited to those with a logical need for such access.
* The Data Systems Department opens all mail containing checks records it in the Check Received Electronic Notebook. Once recorded it is submitted to the Fiscal Department. The Accounting Clerk photocopies all checks $100,000 or more then prepares a deposit slip. One photocopy of the check is attached to the portion of the deposit slip that is kept by CDS. The CDS copy of the deposit slip with attached check copies is given to the Comptroller for coding. The deposit slip with attached photocopies is then returned to the Accounting Assistant for entry into the Cash Book and subsequent entry into the cash transaction journal in Sage 100 (formerly called MAS 90). The Accounting Assistant or Accounting Clerk then takes the deposits to the bank. The bank deposit receipt is attached to the deposit copy in the deposit slip book. Alternatively the Finance Department uses a remote deposit machine provided by South State Bank for checks below the $100,000 threshold. The Accounting Clerk performs the deposit, then goes to the bank website to print the virtual deposit ticket and attaches the original check. Every Friday, Comptroller opens online banking in all the CDS bank accounts and compares the weekly deposits to those recorded in the Cash Book and the Sage General Ledger. If new direct deposits are noted in the on-line banking screens, the Comptroller prints them for Accounting Clerk to record in the Cash Book and in the Sage General Ledger. The Comptroller reviews all entries before posting.
* The Data Department prepare invoices and informs the Comptroller when they are ready. The Comptroller prints them from the share drive and posts the receivable. The Comptroller reviews the bank deposits to match the previous month reported receivables. The Comptroller helps prepare and review the bank reconciliations monthly with the Accounting Clerk wherein all deposits are accounted for. All balances are reported to the Budget and Finance committee as well as to the full Board.