

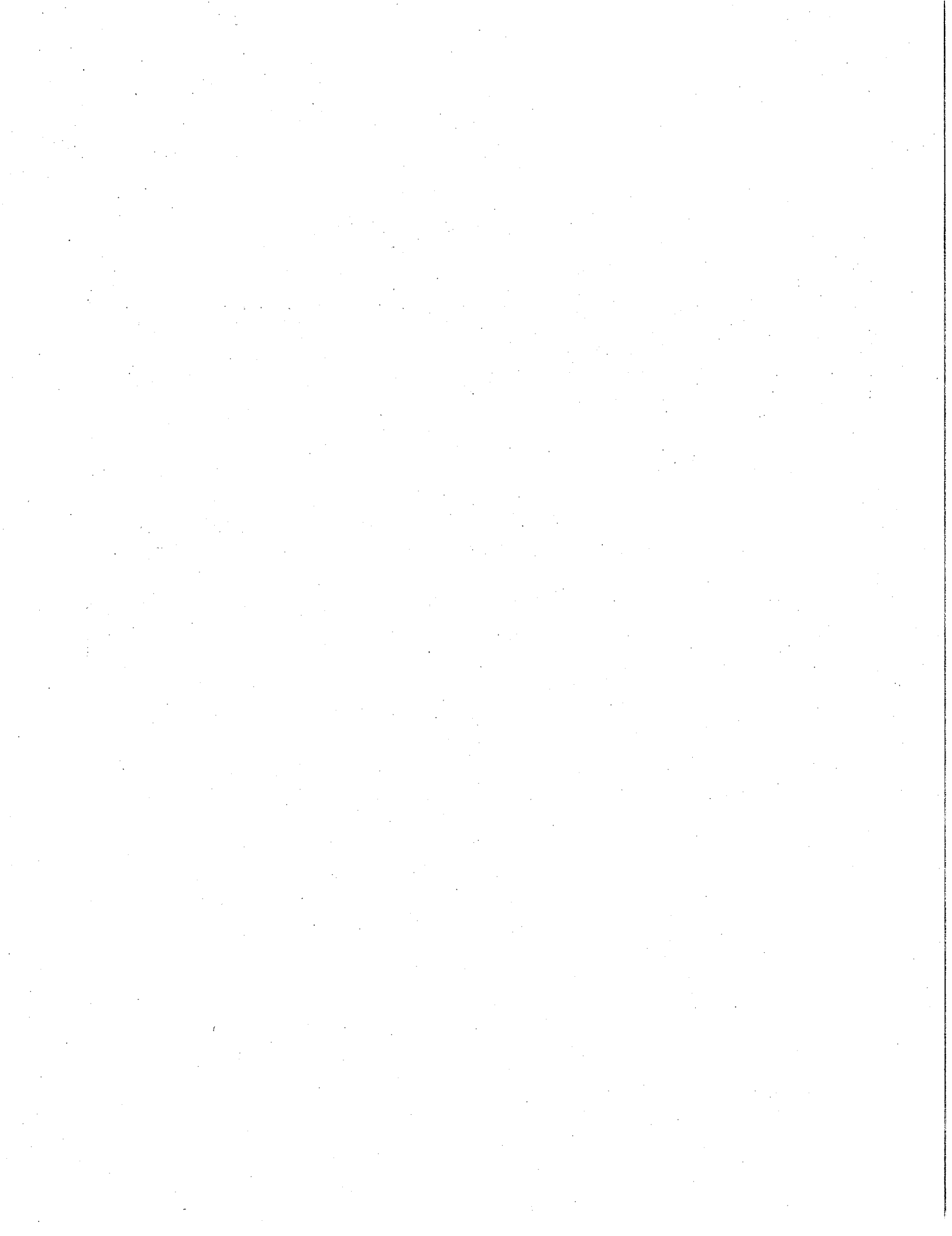
NOTES FOR FISCAL POLICIES AND PROCEDURES MANUAL CHANGES
AS OF: DECEMBER 4, 2020

PAGE	SECTION	DESCRIPTION
10	-	PERIODS OF EMERGENCY SHUTDOWN
37	52	RECOGNITION OF CONTRIBUTIONS VS EXCHANGE TRANSACTIONS
62	88	CREDIT CARD CHANGES - WEX VALVOLINE CARDS
72	103.1	TIPS ALLOWED OVER 15% IF MANDATED BY RESTAURANT
82	118	E-VOUCHERS FOR PAY STUBS
95	142	NEW REGULATIONS FOR LEASE CLASSIFICATION CHANGES DELAYED UNTIL 2021
101	156	PARKING TAX DISCONTINUED

DECEMBER 2020

PEACE, Inc.

**Fiscal
Policies and Procedures Manual**



Effective Date(s) of Accounting Policies (1/16), 2/16

The effective date of all accounting policies described in this manual is November 20, 2007. If a policy is added or modified subsequent to this date, the effective date of the new or revised policy will be indicated parenthetically immediately following the policy heading. Changes due to grammar correction will not be highlighted.

Revisions to this manual are presented periodically to the Finance Committee and the Board of Directors, and approval reflected in the minutes. Revisions will be presented to Comprehensive Leadership, who will in turn forward to their staff, and/or emailed to all staff. Human Resources will distribute the current manual at orientations.

Review and revisions are made at least annually, and as required.

APPROVALS

CFO

11/13/07, 2/11/08, 6/9/08, 12/8/08, 1/12/09, 11/9/09, 1/21/10, 5/10, 11/10, 12/8/10, 9/8/11, 11/5/12, 12/10/12, 1/14/13, 11/13, 8/12/14, 12/14, 9/15, 2/16, 11/14/16, 10/31/17, 12/4/18, 1/13/20, 6/8/20, 12/4/20

Executive Director

11/13/07, 2/11/08, 6/9/08, 12/8/08, 1/12/09, 11/9/09, 1/21/10, 5/10, 12/8/10, 9/8/11, 11/5/12, 12/10/12, 1/14/13, 11/13, 8/12/14, 12/14, 9/15, 2/16, 11/14/16, 10/31/17, 12/6/18, 1/13/20, 6/8/20, 12/4/20

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Board of Directors (copy forwarded)

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INFORMANTS:

Comprehensive Leadership:

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All Staff Memo sent:

11/27/07, 12/24/08, 12/29/08, 1/13/09, 12/16/09, 1/26/10, 12/14/10, 9/14/11, 1/14/13 (email), 1/12/14, 12/9/14, 2/28/16, 11/15/16, 10/31/17, 11/16/17, 12/21/18, 1/21/20, 6/18/20

TABLE OF CONTENTS

Section

Introduction

Glossary of Terms

1
1.1

GENERAL POLICIES

Agency Structure

The Role of the Board of Directors
Committee Structure
Finance Committee Responsibilities
The Roles of the Executive Director and Staff
Staff Communication

2
3
4
5
6
6.1

Accounting Department Overview

Agency
Responsibilities

7
8
9

Business Conduct

Practice of Ethical Behavior
Conflicts of Interest and Related Party Transactions (10/18)
Breach of Company Policy
Compliance with Laws, Regulations and Agency Policies
Disciplinary Action
Whistleblower Protection

10
11
12
13
14
15
15.1

Fraud Policy & Risk Management

16
Scope
Policy
Actions Constituting Fraud
Other Irregularities
Investigation Responsibilities
Confidentiality
Authority for Investigation of Suspected Fraud
Reporting Procedures
Risk Management

17
18
19
20
21
22
23
24
24.1

Security

Accounting Department
Access to Electronically Stored Accounting Data
Storage of Sensitive Data
Security Breach Reporting Policy (120)
Storage of Back-up Files
General Office Security

25
26
27
27.1
27.2
28
29

Theft	29.1
Crisis Management	29.2
Technology and Electronic Communications	30
Purpose and Scope	31
Acceptable Use of Agency Property	32
Password Security	33
Confidentiality	34
Copyrighted Information	35
Installation of Software	36
Other Prohibited Uses	37
Security Breach Reporting Policy	37.1
Disciplinary Action for Violations	38
Reporting of Suspected Violations	39
 General Ledger and Chart of Accounts	 40
Chart of Accounts Overview	41
Distribution of Chart of Accounts	42
Control of Chart of Accounts	43
Account Definitions	44
Classification of Net Assets	45
Empty	46
Fiscal Year of Agency	47
Accounting Estimates (2/11/08)	47.1
Journal Entries	48
Documentation of Monthly Posting Procedures	49
Account Reconciliations	50
 <u>POLICIES ASSOCIATED WITH REVENUES AND CASH RECEIPTS</u>	
Revenue	51
Revenue Recognition Policies	52
Management Construction Fees – Weatherization	53
 Contributions Received	 54
Definitions	55
Accounting for Contributions	56
In-Kind Contributions	57
Gifts to Organization	57.01
Donor Privacy	57.02
 Investments	 57.1
Investment Policy	57.2
 Billing/Invoicing Policies	 58
Overview	59
Responsibilities for Billing and Collection	60
Accounts Receivable Entry Policies	61
Classification of Income and Net Assets	62

Cash Receipts	63
Overview	64
Processing of Checks and Cash Received in the Mail	65
Processing of Other Checks and Cash Received (Including Receipts at Sites)	65.1
Endorsement of Checks	66
Timeliness of Bank Deposits	67
Reconciliation of Deposits	68
 Accounts Receivable Management	69
Monitoring and Reconciliations	70

POLICIES ASSOCIATED WITH EXPENDITURES AND DISBURSEMENTS

Purchasing Policies and Procedures	71
Overview	72
Procurement Procedures	72.1
Responsibility for Purchasing	73
Non-Discrimination Policy	74
Purchasing Overview	75
Use of Purchase Orders	76
Authorizations and Purchasing Limits	77
Allowable Purchases	77.1
Required Solicitation of Quotations from Vendor Contractors	78
Evaluation of Alternative Vendor Contractors	79
Affirmative Consideration of Minority, Small Business & Women-Owned Business	80
Special Purchasing Conditions	81
Vendor Contractor Required Documentation	
82	
Not in use	83
Ethical Conduct in Purchasing	84
Competition	84.1
Conflicts of Interest Prohibited	85
Receipt and Acceptance of Goods	86
Excluded Parties	87
Corporate Credit Cards	88
Personal Use of Vendor Contractor Accounts, Credit Cards and Member Cards	89
Inclusion of Costs in Appropriate Grant/Fiscal Year	89.1
 Political Intervention & Lobbying (2/11/08)	90
Prohibited Expenditures	91
Endorsements of Candidates	92
Prohibited Use of Organization Assets & Resources	92.1
Lobbying	92.2
Lobbying Introduction	92.3
Definition of Lobbying Activities	92.4
Segregation of Lobbying Expenditures	92.5
 Accounts Payable Management	93

Overview	94
Recording of Accounts Payable	95
Accounts Payable Cut-off	96
Establishment of Control Devices	97
Head Start Draw Down Procedures	98
Payment Discounts	99
Employee Expense Reports	100
Reconciliation of A/P Subsidiary Ledger to General Ledger	101
Travel and Business Entertainment	102
Travel Advances	103
Tips	103.1
Entertainment Costs	103.2
Travel Emergencies	103.3
Cash Disbursement (Check-Writing) Policies	104
Check Preparation	105
Check Signing	106
Mailing of Checks	107
Voided Checks and Stop Payments	108
Record-Keeping Associated with Independent Contractors	109
Policy Council, Policy Committee and Parent Committee Reimbursements	110
Payroll and Related Policies (11/17)	111
Payroll Administration	112
Changes in Payroll Data	113
Payroll Taxes	114
Preparation of Timesheets and Activity Sheets	115
Processing of Timesheets	116
Review of Payroll	117
Distribution of Payroll	118
Employee Loans / Payroll Advances	119
Accrued PTO/ETO and other categories as defined	119.1

POLICIES PERTAINING TO SPECIFIC ASSET AND LIABILITY ACCOUNTS

Cash and Cash Management	120
Cash Accounts	121
Payroll Account	122
Bank Reconciliations	123
Cash Flow Management & Forecast	124
Stale Checks	125
Petty Cash	126
Bank Transfers	127
Line of Credit	127.1
Inventory	128

Description of Inventory	129
Physical Counts	130
Fixed Asset Management	131
Capitalization Policy	132
Contributed Assets	133
Establishment and Maintenance of a Fixed Asset Listing	134
Receipt of Newly-Purchased Equipment and Furniture	135
Construction In Progress	135.1
Depreciation and Useful Lives	136
Repairs of Fixed Assets	137
Dispositions of Fixed Assets	138
Write-Offs of Fixed Assets	139
Leases	140
Classification of Leases	141
Accounting for Leases	142
Accrued Liabilities	143
Identification of Liabilities	144
Accrued Leave	145
Notes Payable	146
Record-Keeping	147
Accounting and Classification	148

POLICIES ASSOCIATED WITH FINANCIAL AND TAX REPORTING

Financial Statements	149
Standard Financial Statements of the Agency	150
Frequency of Preparation	151
Review and Distribution	152
Annual Financial Statements	153
Government Returns	154
Overview	155
Filing of Returns	156
Public Access to Information Returns	157

FINANCIAL MANAGEMENT POLICIES

Budgeting	158
Overview	159
Preparation and Adoption	160
Monitoring Performance	161

Financial Audit	162
Role of the Independent Auditor	163
How Often to Review the Selection of the Auditor	164
Selecting an Auditor	165
Preparation for the Annual Audit	166
Concluding the Audit	167
Audit Findings	167.1
Insurance	168
Overview	169
Insurance Definitions	170
Record Retention	171
Policy	172
Functional Expense Allocations	173
Overview	174
Direct Charging of Costs	175
Allocation of Overhead Costs	176
Other Cost Allocations	176.1
Contracts	177

POLICIES ASSOCIATED WITH FEDERAL AWARDS

Administration of Federal Awards	178
Definitions	179
Preparation and Review of Proposals	180
Post-Award Procedures	181
Compliance with Laws, Regulations, and Provisions of Awards	182
Special Provisions for HHS	182.1
Billing and Financial Reporting	183
Procurement Under Federal Awards	184
Solicitation of Bids from Vendor Contractors	185
Provisions Included in all Contracts	186
Equipment and Furniture Purchased with Federal Funds	187
Standards for Financial Management Systems	188
Budget and Program Revisions	189
Close Out of Federal Awards	190
Charging Costs to Federal Awards	191
Overview	192
Segregating Unallowable from Allowable Costs	193
Criteria for Allowability	194
Direct Costs	195
Indirect Costs	196
Accounting for Specific Elements of Cost	197
Cost Sharing and Matching	198

SPECIAL NOTE: DURING THE COVID-19 SHUTDOWN, STAFF WAS INSTRUCTED TO WORK FROM HOME IF THEY WERE ABLE. THE SHUT DOWN BEGAN MARCH 17, 2020 AND ENDED JULY 16, 2020. DURING THIS PERIOD THE INTERNAL CONTROLS WERE FOLLOWED AS MUCH AS POSSIBLE, AND IN SOME CASES OTHER CONTROLS WERE IMPLEMENTED, INCORPORATING CONTROLS TO SEGREGATE DUTIES AS MUCH AS POSSIBLE. AS EXAMPLES, MAIL DELIVERY AND PROCESSING WAS CHANGED. STAFF WHO DID NEED TO REPORT TO THE OFFICE WOULD PICK UP THE MAIL AT THE POST OFFICE, OPEN AND FORWARD. DAILY MEAL CONTRIBUTIONS WERE NOT COMPLETED AS THE CONGREGATE SITE MEALS WERE NOT OFFERED.

1. INTRODUCTION (8/14)(11/16)

The following accounting manual is intended to provide an overview of the accounting policies and procedures applicable to the People's Equal Action and Community Effort, Inc. Agency, which shall be referred to as "PEACE, Inc." or "the Agency" throughout this manual.

PEACE, Inc. is incorporated in the state of New York. PEACE, Inc. is exempt from federal income taxes under IRC Section [501(c)(3)] as a nonprofit corporation. PEACE, Inc.'s tax-exempt mission is *"Helping People in the Community Realize Their Potential for Becoming Self-Sufficient."*

This manual shall document the financial operations of the Agency. Its primary purpose is to formalize accounting policies and selected procedures for the accounting staff and to document internal controls.

The contents of this manual were approved as official policy of the Agency by the Board of Directors. All PEACE, Inc. staff are bound by the policies herein, and any deviation from established policy is prohibited.

We follow the OMB Uniform Guidance requirements. Also, we must adhere to specific grantor requirements.

1.1 GLOSSARY OF TERMS

Program Director – used in this manual to designate the staff person responsible for the mentioned grant or project. The staff person may or may not have the word "Director" in their title.

GENERAL POLICIES

2. AGENCY STRUCTURE

3. The Role of the Board of Directors(10/17)(1/20)

PEACE, Inc. is governed by its Board of Directors, which is responsible for the oversight of the agency by:

1. Planning for the future
2. Approving broad policies
3. Reviewing and approving the annual audit
4. Reviewing financial information
5. Assisting in interpreting the Organization's mission to the public
6. Soliciting prospective contributors
7. Hiring, evaluating, and working with the Executive Director

The Executive Director shall be responsible for the day-to-day oversight and management of the agency.

Term limits were eliminated in the revised by-laws June 2017.

4. Committee Structure

The board of directors shall form committees in order to assist the board in fulfilling its responsibilities. These committees represent vehicles for parceling out the board's work to smaller groups, thereby removing the responsibility for evaluating all of the details of particular issues from the full board's consideration. Standing board-level committees of PEACE, Inc. consist of the following:

1. Executive Committee
2. Finance Committee (includes audit review)
3. Development Committee
4. Personnel/EEO Committee
5. Planning Committee

Specific guidelines regarding the composition and election of the board of directors and committees are described in the Agency's by-laws. However, roles of committees with direct responsibilities for the financial affairs of the Agency are further described in this manual. These committees shall be referred to in appropriate sections of this manual.

Periodically the Board of Directors will receive training on fiduciary responsibilities, focusing on regulations pertaining to the safeguarding of all agency funds.

5. Finance Committee Responsibilities (11/10)(9/18)(1/20)

The Finance Committee is responsible for direction and oversight regarding the overall financial management of PEACE, Inc.. Only independent directors are allowed to participate in Finance Committee deliberations and voting.

Functions of the Finance Committee include:

1. Review and recommendation of the Agency's annual budget (prepared by the staff) for final approval by the full board
2. Monitoring actual vs. budgeted financial performance
3. Financial planning
4. Establishment of investment policy and monitoring investment performance **when applicable**
5. Oversight of reserve funds
6. Only independent directors are allowed to participate on the audit deliberations and voting.
Oversight of the annual audit including:
 - Recommend external auditors to Board for approval
 - Annual review performance and independence of auditors to retain/renew the independent auditors
 - Review the results of the audit and related management letter with the auditors at least Annually
 - Review the audit scope and plan with the auditors prior to the audit commencement
 - Upon completion of the audit, the Finance Committee discusses and reviews with the Auditors:
 - Any material weaknesses in internal controls identified by the auditors
 - Any restrictions on the scope of the auditor's activities or access to requested documents
 - Any significant disagreements between the auditors and management
7. Review and approve fiscal internal controls and fiscal written policies (periodically)
9. Oversee accounting, financial reporting and audit of financial statements.

The Finance Committee shall report to the Board the activities listed above.

6. The Roles of the Executive Director and Staff (11/10)

The Board of Directors hires the Executive Director, who reports directly to the Board of Directors. The Executive Director is responsible for hiring and evaluating department directors for each of the Agency's departments/programs. Each department/program director reports directly or indirectly to the Executive Director.

All staff has the authority to sign on behalf of staff they supervise when appropriate. Any position title identified with a task in this manual also refers to any assigned "backup" staff member.

Within each department or program, department/program directors are responsible for hiring, with approval from the Executive Director, employees to work in that department. All employees within a department shall report directly or indirectly to that department's/program's director, who shall be responsible for managing and evaluating directly or indirectly all employees within the department or program.

Cross training of responsibilities is encouraged to ensure continuity of business practices. All references to job titles within this manual also refer to the position's backup when needed.

6.1 STAFF COMMUNICATION (11/13) (11/16)

Staff communication to:

Board - As a matter of good practice, Comprehensive Leadership may contact the Board on non-personal issues with the Executive Director's permission. Also, please refer to Accounting and Financial Policies and Procedures Manual section 18, which addresses our Fraud Policy.

Funding Sources – All staff including the fiscal department are to inform the Program Director when they wish to contact a member of the Grantor/Funder's office with the nature of the question or contact. This will keep the Program Director up to date with the grant.

Media – All staff is to contact the Community Engagement Department in any matters concerning the media, before any action is taken with the media.

6.2 PERIODS OF EMERGENCY, SHUTDOWN AND CRISIS

During periods of emergency, national emergency and shutdown various procedures will become effective. The instructions from individual grantors will be followed and attached in an Addendum to this manual to be followed during periods of emergency, shutdown and crisis. Also included in the Addendum will be examples of temporary procedures to be followed because staff may be working from home. After the crisis fiscal policies and procedure controls will resume as normal as staff is able to return to work and resume full duties in the office setting.

Please refer to the Human Resources Employee Handbook for the following sections and topics:

HR 2.13 Time Records – addresses collection of time sheets

HR 3.6 Incentive Compensation – incentive pay

HR 6.16a Emergency Disaster Planning and Closing – altered policies to comply with guidelines from governmental agencies and funders, work remotely from home, suspension of programs, redeployment of staff, continued compensation of all staff with full pay and benefits.

EXAMPLES OF OTHER TEMPORARY CHANGES TO FISCAL POLICIES AND PROCEDURES (due to shutdown and staff work at home status) – See addendum to the Fiscal Policies and Procedures manual for list of changes. Other changes may occur as long as they retain the control integrity and are caused by the shutdown and/or stay at home order.

40. GENERAL LEDGER AND CHART OF ACCOUNTS

The general ledger is defined as a group of accounts that supports the information shown in the major financial statements. The general ledger is used to accumulate all financial transactions of PEACE, Inc., and is supported by subsidiary ledgers that provide details for certain accounts in the general ledger. The general ledger is the foundation for the accumulation of data and reports.

41. Chart of Accounts Overview (11/12)(1/20)

The chart of accounts is the framework for the general ledger system, and therefore the basis for PEACE, Inc.'s accounting system. The chart of accounts consists of account titles and account numbers assigned to the titles. General ledger accounts are used to accumulate transactions and the impact of these transactions on each asset, liability, net asset, revenue, expense and gain and loss account.

PEACE, Inc.'s chart of accounts is comprised of six types of accounts:

1. Assets
2. Liabilities
3. Net Assets
4. Revenues
5. Expenses
6. Gains and Losses

Each account number shall be in the following format:

XX-XXXX-XXXXX XXXXX

The first two digits represent the net asset class code (01-without donor restrictions 02-with donor restrictions 03-permanently restricted)

The second four digits represent the account number

The third group up to five digits represent the location codes (or segments, as an example, used on grants that fund multiple sites/locations or programs, i.e. Department of Health and Human Services Grant and Community Services Block Grant.) The 5 digits are also used to identify individual jobs for Weatherization job costing.

The last five digits represent the project number (each grant or responsibility center is given its own project number – this last portion of the account number can be 3, 4 or 5 digits).

42. Distribution of Chart of Accounts

All PEACE, Inc. employees involved with account coding responsibilities (assignment or review of coding) or budgetary responsibilities will be issued a current chart of accounts. As the chart of accounts is revised, an updated copy of the chart of accounts shall be distributed to these individuals.

45. Classification of Net Assets (1/20)

Net assets of the Agency shall be classified based upon the existence or absence of donor-imposed restrictions as follows:

Without Donor Restrictions - Net assets that are not subject to donor imposed stipulations.

With Donor Restrictions - Net assets subject to donor imposed stipulations that may or will be satisfied through the actions of the Agency and/or the passage of time.

Permanently Restricted Net Assets - Net assets subject to donor imposed stipulations that the Agency permanently maintain certain contributed assets.

Net assets accumulated by PEACE, Inc. that are not subject to donor imposed restrictions, but which the Board of Directors of the Agency has earmarked for specific uses, shall be segregated in the accounting records as "board-designated" funds within the unrestricted category of net assets.

46. Empty (11/12)

47. Fiscal Year of Agency (10/16)

PEACE, Inc. shall operate on a fiscal year that begins on February 1 and ends on January 31. Any changes to the fiscal year of the Agency must be ratified by majority vote of PEACE, Inc.'s Board of Directors.

47.1 Accounting Estimates (2/11/08), (1/16)(9/16)

The Agency utilizes numerous estimates in the preparation of its interim and annual financial statements. Some of those estimates include, but not limited to:

1. Useful lives of property and equipment
2. Fair market value of donated assets
3. Values of contributed services
4. Joint cost allocations
5. Allocations of certain indirect costs
6. Allocations of time/salaries
7. Self insurance reserves

48. Journal Entries (11/12)

Before issuance of internal financial statements monthly, the CFO reviews all major balance sheet accounts to ensure there is not an item that must be allocated before the issuance of the statements. Other reconciliations are submitted to the CFO during the subsequent months.

The CFO will include the "Month End Closing Schedule" with the CFO's copy of monthly financial statements. Part of the CFO's monthly close out procedures includes review of each grant or cost center and to compare the budget to actual amounts.

50. Account Reconciliations (8/14)(10/17)(10/19)

Effective with the September 2005 financial statements, all balance sheet accounts are to be reconciled by the accounting staff. The balance sheet accounts have been assigned to each staff member. Reconciliations are submitted to the CFO for review and approval, and then filed in accounting by account number order. Major accounts such as operating cash, accounts payable and major asset and liability accounts will be reviewed by the CFO before the current month general ledger is closed. Also, the interfund transfer accounts #7000 will be reviewed by the CFO monthly to ensure they balance to \$0. ~~Bank account reconciliations are prepared and approved monthly.~~ Also, selected accounts such as Petty Cash are reconciled quarterly.

Account reconciliations prepared by the CFO are reviewed by another fiscal staff person.

The reconciliation of grant receivables, deferred revenue and revenue are completed simultaneously. The reconciliations are to be tied to the vouchers as appropriate (example – some grants pay set amounts each month). The CFO is to review and sign all vouchers (does not sign the Wx Fee for Service as they are prepared and sent by the program staff).

We track jobs completed within the Weatherization Department programs to match revenue with expenditures for selected projects. We assign job numbers to Energy & Housing Fee for Service programs, and will track completed jobs to record revenue. We view direct expenses to be items such as labor and materials, and indirect costs to include telephone, maintenance, etc. As this is implemented, these procedures will apply to all weatherization non-grant projects as appropriate.

POLICIES ASSOCIATED WITH REVENUES AND CASH RECEIPTS

51. REVENUE

52. Revenue Recognition Policies (11/13) (2/16)(1/20)

PEACE, Inc. receives revenue from several types of transactions. PEACE, Inc. records revenue in ~~compliance with the FASB 958-605,606 to determine if the revenue is a contribution or exchange transaction.~~ Revenue from each of these types of transactions is recognized in the financial statements of PEACE, Inc. in the following manner:

1. **Grant income** – Recorded according to the grant and **FASB requirements**. This includes cash basis (accruals recorded at year end in another project), accrual basis, fixed price, unit-of-service, and other types.
2. **Service fee income** – Monthly based on the unit-of-service or fees of the specific program and **FASB requirements**.
3. **Rent income** - Monthly accrual, based on the terms of each sublease and **FASB requirements**.
4. **Contributions** - Recognized as income when received, unless accompanied by restrictions or conditions and **FASB requirements** (see the next section on contribution income). Some contributions may be recorded as receivables for some fundraisers, to ensure collection.
5. **Interest Income** – monthly accrual based on when it was earned.

Immaterial categories of revenue may be recorded on the cash basis of accounting (i.e. recorded as revenue when received) as deemed appropriate by the CFO, in accordance with the FASB requirements

53. Management Construction Fees – Weatherization Assistance Program

A construction management fee of 10% of the owner investment to compensate and reimburse the sub-grantee for administrative expenses associated with additional work required to monitor owner investment may be charged on all owner investments except indirect investments.

Charging the additional 10% to the owner is at the discretion of the agency.

The Executive Director, CFO and Program Manager will review construction management fees in relation to the Weatherization Assistance Program on an annual basis, or as needed, to determine whether or not the agency will charge the additional 10%. The final decision will be signed by the Executive Director.

54. CONTRIBUTIONS RECEIVED

55. Definitions

The following definitions shall apply with respect to the policies described in this section:

Contribution - An unconditional transfer of cash or other assets to the Agency, or a settlement or cancellation of the Agency's liabilities, in a voluntary nonreciprocal transfer by another entity acting other than as an owner.

Condition - A donor-imposed stipulation that specifies a future and uncertain event whose occurrence or failure to occur gives the promisor a right of return of the assets it has transferred to the Agency or releases the promisor from its obligation to transfer its assets.

Restriction - A donor-imposed stipulation that specifies a use for the contributed asset that is more specific than broad limits resulting from the nature of the Agency, the environment in which it operates, and the purposes specified in PEACE, Inc.'s articles of incorporation and bylaws. Restrictions on PEACE, Inc.'s use of an asset may be temporary or permanent.

56. Accounting for Contributions (11/10) (10/16) (10/19)

PEACE, Inc. shall recognize contribution income in the period in which the Agency receives ~~assets with donor restrictions or assets without donor restrictions~~. Contribution income shall be classified as increases in assets with ~~donor restrictions, assets without donor restrictions~~ or permanently restricted net assets based on the existence or absence of such restrictions.

When the final time or use restriction associated with a contributed asset has been met, a reclassification between temporarily restricted and unrestricted net assets shall be recorded.

When it receives support in the form of volunteer labor, PEACE, Inc. shall record contribution income and assets or expenses (inkind) if one of the following two criteria is met:

1. The contributed service creates or enhances a nonfinancial asset (such as a building or equipment), or
2. The contributed service is the type of service that would typically need to be purchased by PEACE, Inc. if it had not been contributed,

Examples of contributed services received and recorded as income and expense by PEACE, Inc. include volunteer hours, supplies, buildings and space rented to PEACE, Inc. at the FMV rental rate. (The donated portion is the difference between the FMV and the agreed rental amount.)

Contributed services that meet the preceding criteria shall be recorded at the fair market value of the service rendered. As an example, if a physician donates his/her time in their medical capacity, we can use their professional rate. If the same physician donates time to paint a hallway, the rate would be the rate established for overall donated hours.

Non-standard contributions will be reviewed by the Executive Director for acceptance.

57. In-Kind Contributions (11/14), (1/16)(10/17)(10/20)

We will use a standard method of recording the following types of In-Kind throughout the company. Any In-Kind donation must be allowable by the grant. Please note that not everything that donor's want to contribute can be used as In-Kind. One benchmark of whether an item/event is reportable as In-Kind is if PEACE, Inc. would pay the In-Kind amount to purchase the item or event and that if purchased it would be allowable under the grant. For In-Kind to be acceptable, the following must be met:

- Are verifiable from records
- Are not included as contributions for any other federally-assisted project or program
- Are necessary and reasonable for proper and efficient accomplishment of project or program objectives
- Are allowable under the applicable cost principles
- Are not paid by the Federal Government under another award, except where authorized by Federal statute to be used for cost sharing or matching
- Are provided in approved budget

Type of In-Kind:	Space
	Volunteer Time/Professional Services
	Volunteer Mileage/Travel
	Items Donated
	Mantoux Test/TB Screening
	Volunteer parking
	Volunteer uniform rentals
	Volunteer meals

Space

Space In-Kind will be booked into the general ledger monthly via a journal entry. The support for the journal entry will reflect the square footage and the justification for the square footage rate used. The In-Kind space will be recorded in the current month (for example, April In-Kind space will be booked in April).

Space In-Kind should be written into the grant whenever possible.

The journal entry should debit the account #6620 – In-Kind Space and credit the In-kind revenue account #4551.

The journal entries will be prepared by the Fiscal staff, and reviewed by the CFO or Senior Accountant.

POLICIES ASSOCIATED WITH EXPENDITURES AND DISBURSEMENTS

71. PURCHASING POLICIES AND PROCEDURES

72. Overview (2/11/08) (2/16/10/19)

THE POLICIES DESCRIBED IN THIS SECTION APPLY TO ALL PURCHASES MADE BY PEACE, INC.

ADDITIONAL POLICIES APPLICABLE ONLY TO THOSE PURCHASES MADE UNDER FEDERAL AWARDS ARE DESCRIBED IN THE SECTION "POLICIES ASSOCIATED WITH FEDERAL AWARDS." (Section 184)

It is the policy of PEACE, Inc. to follow a practice of ethical, responsible and reasonable procedures related to purchasing, agreements and contracts, and related forms of commitment. The policies in this section describe the principles and procedures that all staff shall adhere to in the completion of their designated responsibilities.

The goal of these procurement policies is to ensure that materials and services are obtained in an effective manner and in compliance with the provisions of applicable Federal statutes and executive orders.

Relevant OMB circulars and Uniform Guidance are reviewed periodically (and whenever changes to circulars) to ensure adherence to directives.

72.1 Procurement Procedures (2/16)

Refer to CFR , Subpart D, sections 200.317-200.326

73. Responsibility for Purchasing (2/11/08)

All department and project Directors shall have the authority to initiate purchases on behalf of their department or project, within the guidelines described in this policies manual. In addition, department directors may delegate purchasing authority to responsible individuals within their department. The fiscal department shall maintain a current list of all authorized department and project signors.

The accounting department shall be responsible for processing purchase orders. The Executive Director and/or CFO have approval authority over all purchases, and shall make the final determination on any proposed purchases where budgetary or other conditions may result in denial.

The purchasing system of the Agency shall be overseen by the Purchasing Director. The Purchasing Director can review a requisition or purchase at any time.

"Purchase Order Checklist" will be attached to a properly completed purchase order to indicate at a minimum:

1. PO Date
2. Determine whether allowable under grant and initial
3. Indicate no sales tax included
4. If item \$5,000 or more and fixed asset, notify Senior Accountant, OR Construction in Progress, acct #1540
5. If fixed asset must have lease vs buy analysis form
6. Indication that funds are available
7. Three quotes, indication NYS Contract, or Sole Source attached as required
8. Required signatures
9. Receipt of items
10. Recognition of Davis Bacon if applicable

Purchase orders shall be pre-numbered and kept in a secure area in the accounting department, and issued upon request from an authorized purchaser. All purchase orders are logged out by the accounting department when disbursed to employees/program managers.

If the purpose of the purchase is not readily apparent, a written description of the nature of the purchase and how it relates to the applicable grant shall be attached.

A "Purchase Order Check List" will be attached to each Purchase Order to ensure all items are considered, and we have adequate support for payment. Each Purchasing staff member will initial/date the review items as they review through the receiving of product area and sign-off as all complete up to that point. The Accounts Payable Specialist will initial/date the invoice area of the checklist and sign-off that all is complete.

The Purchasing Department reviews the open purchase order file on a periodic basis to ensure the open purchase order file is up to date.

77. Authorizations and Purchasing Limits (11/13), (2/16)(11/16) (2/17)(2/18)
(9/18)(10/1)(11/18)(10/19)(01/20)

The following table displays required approval levels used by PEACE, Inc. for purchases, whether using a Purchase Order or a Cash Disbursement Request.

If there is a required PO, there will be a Purchase Order Checklist attached.

If a PO is required, the PO will be written before the order is placed.

Any specific grantor requirements must be identified and adhered to.

Requisition Requests are not required.

Total Amount of Purchase	Signatures required to Purchase	Solicitation Process	Documentation of Decision
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The decision of which tier a purchase fits into is based on the information on hand at the time of the decision of which vendor to choose. There can be instances where a decision of a vendor with applicable tier is made, and then more costs are added due to unforeseen events (additional work or materials needed, additional people attend event, etc). The tier above is determined when the original decision is made.

Exceptions:

The Director of Food Services may order food and supplies (no equipment or items out of ordinary daily purchases) solely on his signature due to the nature of the program. The Purchase Order is then remitted to Accounting for the Purchasing Director and Accountant signatures (and Executive Director & CFO if required).

The Weatherization Director may order supplies and materials for jobs (no equipment or items out of ordinary daily purchase) solely on his signature due to the nature of the program. The Purchase Order is then remitted to Accounting for the Purchasing Director and Accountant signatures.

The Head Start/Early Head Start Nutrition Coordinator may order normal food and supplies (no equipment or items out of ordinary daily purchases) solely on her signature due to the nature of the program. The Purchase Order is then remitted for the Purchasing Director and Accountant signatures.

The Program Director is the only required signor prior to ordering items or service if the total is under \$2,000, except as noted above for food services and weatherization purchases. The Purchasing Director and Accountant are able to sign after the purchase.

The Human Resources Director signs for HR related invoices for example: drug testing, employee background checks, payments for small medical claims, insurance and tuition reimbursement.

All required approval signatures must be obtained prior to placing an order with the vendor contractor.

Only the Executive Director is authorized to enter into any contract (verbal or written) on behalf of PEACE, Inc.

Small, recurring purchases made routinely through the year may be supported by an annual **memo** of authorization. This letter would reflect the dollar limit and type of purchase, along with "allowable under

grant/cost center" and "grant funds available" clauses. This annual ~~memo~~ is signed by the Program Director or authorized person.

Cash Disbursements requests for the transfer of funds between bank accounts (such as the Key Bank operating account to the M&T operating account) do not require the Purchasing Director's signature.

77.1 Allowable Purchases (12/14), (2/16)(10/17)

It must be determined that a purchase is allowable under the grant/cost center. To accomplish this:

There is a box on the Purchase Order and Cash Disbursement Request that must be checked and signed by the Program Director that the item is allowable. At times this box may be checked and initialed on the requisition or request, and attached to the Purchase Order.

A Partial Listing of Allowable/Unallowable Expenses for Head Start has been forwarded to Head Start Senior Leadership

CFR, Subpart E, 200.420-200.475 Selected Items of Cost and Selected Unallowable Cost Items are forwarded to Senior Leadership periodically.

See also CFR, Subpart E, 200.402 – 200.411 for Basic Consideration regarding costs.

78. Required Solicitation of Quotations from Vendor Contractors (12/14), (2/16)(9/16)(11/17)(10/18)(11/18)

Also see CFR D 200.319

PEACE, Inc.'s choice of vendor contractors is based on full open and free competition. We choose the vendor contractor most responsive to the solicitation and advantageous to the agency.

Refer also to CFR, Subpart D, 200.319.

Purchases of \$2,000 or more (unless discussed in other sections of this manual – example Section 76), will be supported by quotes as required (see section 77). These quotes can be in the form of either bids per purchase (documented by the Vendor Contractor Quote Verification – vendor contractor quote form), indication on the NYS Contract list, sole source, or an annualized bid. An annualized bid is a sampling of commonly used items in specific groupings ie: hardware, plumbing products, electrical products, office supplies, food products, and is reevaluated on a yearly basis and determines reasonable priced vendor contractors in locations common to our facilities. For purchases of multiple items such as hardware, novelty goods, etc. from vendor contractors that do not have an annual bid on file it is permissible to do a price comparison on a random sampling of those items to prepare a vendor contractor quote form.

Petty cash purchases (section 126) do not require bids, but have free and open competition. Staff may use a vendor contractor they feel is in the best interest for the agency.

Included in the purchase package, a program person must sign their name and date items or service received. This can be handled in a few ways.

All packing slips, if applicable, should be forwarded to the purchasing department for attachment to the PO and should include a signature and date received.

In the absence of a packing slip, the pink copy of the P.O. should be forwarded with a signature and date received.

If neither are available, the program person is to sign the invoice to indicate receipt, and indicate date received.

An email confirmation of receipt of goods including a date items were received is also acceptable in the absence of the packing slip.

87. Excluded Parties

The Accounts Payable Specialist in conjunction with the Purchasing Department shall review current vendor contractors annually and any new vendor contractors to ensure they are not listed on the excluded parties list or a U.S. Government Debarment listing.

All credit applications must be forwarded to the Purchaser for completion, and the Purchaser will review the Federal Excluded Parties List and Debarment list.

**88. Corporate Credit Cards/Procurement Cards (8/14) (12/14) (1/16),
(9/16)(6/17)(10/17)(11/17)(3/18) (10/18)(6/19)(11/19)**

PEACE, Inc. currently has the following credit cards:

1. Home Depot – procurement card

a. There are four cards held by
Energy and Housing Purchasing Inventory Control
Facilities Manager
Maintenance Manager
Purchasing Director

b. Two cards are housed in the main office safe.

The Facilities Manager and the Maintenance Manager have custody of their cards.

c. Energy & Housing has been set up as a Proxy Account whereby any of the Energy & Housing Employees can sign for any purchase as long as they are in uniform and can produce ID. The signature must be legible. Home Depot contacts the Energy & Housing Purchasing Inventory Control immediately if the process is not followed or if they have a question at any time about a purchase.

d. Purchases on the Home Depot cards are authorized by the Program Directors of the employees who hold those cards

e. The Home Depot card does not have any finance fees associated with it (but may incur late payment fee). It is authorization to procure items at New York State bid pricing.

- f. The credit limit on this card is ~~\$35,000~~ for Weatherization Department cards and \$5,000 for the Maintenance Department cards

2. Wegmans

- a. The cards are assigned to various staff including Head Start & Early Head Start employees, and Food Services Director and various other employees on an "as needed" basis. The cards are not issued in an individual name, but associated with a pin. The cards are locked in lock boxes or at the agency's main office safe.
- b. A Senior Accountant maintains a current listing of who holds the Wegmans cards
- c. Purchases on the Wegmans cards are authorized by the Program Directors of the employees who hold those cards
- d. Purchases on the Wegmans cards are reconciled to a monthly billing statement from Wegmans by Senior Accountant
- e. The monthly reconciliations are forwarded to the CFO for review and approval
- f. Credit limit - \$500 per account - for 1 account, \$1,000 for ~~2 accounts~~ \$1,500 for 4 accounts,
\$3,000 for 2 account, \$5,000 for 1 account, 1 account is used for gift cards by the purchasing department

3. Valvoline Fleet Service ~~(6/20)(10/20)~~

Valvoline Fleet Service - ~~was changed to Wex Valvoline cards for both Gas & Oil Changes in Spring 2020~~

- a. The cards are assigned to various Head Start & Early Head Start employees, Weatherization employees, maintenance employees, Food Service Director, Big Brothers Big Sisters employees, the Executive Director and Family Resource Center employees (the cards are associated with the vehicle) The cards are kept locked on site or in the vehicles. Each card is associated to a specific numbered vehicle and they are utilized by that vehicle's driver. ~~This process remains the same for the new Wex gas cards - there is one card issued per vehicle # and each employee that is a certified driver gets a unique PIN number. Some cards may be kept in the vehicles (need code to use).~~
- b. ~~The Accounts Payable Specialist along with the Transportation Supervisor maintains a current listing of who holds the Valvoline Fleet Service cards. For the new Wex gas cards the complete listing of cards issued and PIN numbers is maintained in the fiscal office~~
- c. ~~Purchases on the Valvoline Fleet Services cards are reconciled to a monthly billing statement from Valvoline Fleet Services by the Accounts Payable Specialist - for the new Wex Gas cards the statements are reconciled monthly by the Accounts Payable Specialist. There is a log that Accountants update as receipts are handed in for gas purchases that is accessible for the fiscal staff. Accountants can then verify the fuel receipts against the GPS system as needed. This is used as a part of the reconciliation process.~~
- d. Purchases on the Valvoline Fleet Services cards are authorized by the Program Managers of the employees who hold those cards - ~~For the new Wex Gas cards,~~

program manager approval is obtained by an annual memo or a cash disbursement approved accordingly. The Program Managers will be given routine reports to view all gas purchases by their program departments. This report will be forwarded to program managers by fiscal staff.

- e. The monthly reconciliations are forwarded to the CFO for review and approval - this remains the same for the new Wex gas cards.
- f. Credit limit - \$10,000 - same

4. Key Bank Agency Operating Credit Card (11/12)(9/16)(6/19)(11/19)

- a. The Key Bank credit card is maintained by a Senior Accountant in the safe in the fiscal office. This card is issued in the CFO's name. The card is utilized by the CFO, Controller, Senior Accountants, and Purchasing Director with the CFO's approval. A new Key credit card was established under the Key2Business credit card umbrella. The credit limit on this card is \$27,000.
- b. Purchases on the Key Bank Agency credit cards are authorized by the above mentioned staff with the properly completed Purchase Order or Cash Disbursement Request forms that have already been approved by the Program Directors.
- c. Purchases on the Key Bank Agency credit card are reconciled to a monthly billing statement from Key Bank by the Senior Accountant.
- d. The monthly reconciliations are forwarded to the CFO for review and approval

5. Key Bank DMV Credit Card (11/12)(9/16)(11/16)(6/19)

- a. The Key Bank credit card used for vehicle registrations and expenses is maintained by the Transportation Supervisor. The card is housed in a locked petty cash box in a locked desk at the Transportation Department, assigned only to the Transportation Supervisor. A new Key credit card was established under the Key2Business credit card umbrella. The credit card limit is \$5,000.
- b. Purchases on the Key Bank credit card are authorized by the Transportation Director as DMV registrations come due
- c. Purchases on the Key Bank credit card are reconciled by a Senior Accountant to a monthly billing statement from Key Bank.
- d. The monthly reconciliations are forwarded to the CFO for review and approval

6. Key#2Business Backup Operating credit card (6/19)

- a. Activated as of June 2019.
- b. This credit card will be held in the safe along with the Operating credit card listed above.
- c. Controls over this credit card are the same as the operating credit card above.
- d. This credit card is to be used when we have a fraud transaction on the operating credit card, and are awaiting the replacement operating card.
- e. The credit card limit is \$10,000

102. TRAVEL AND BUSINESS ENTERTAINMENT

103. Travel Advances (12/14)

Funds will be advanced for upcoming travel only upon receipt of a completed and properly approved travel authorization voucher form. The Agency follows the IRS policies for per diem rates for meals and incidentals based on the number of days the travel will cover. When the per diem rate is used for travel advances for meals and incidentals, the Agency does not require the return of receipts. In instances where the employee will not be staying over-night they are required to keep receipts for meals and incidentals in order to get reimbursed for these expenses. In instances where the employee incurs (or has received an advance for) gas/mileage (as appropriate), parking or toll expenses they will be reimbursed for these expenses upon return of the actual receipts that specify the dollar amount to be reimbursed, or complete an Advance Reconciliation form or mileage form to reconcile back to the original advance if appropriate. The receipts will be attached to the original approved travel authorization form, if an advance was given. If there was no advance, the receipts will be attached to the reimbursement request form (cash disbursement form, travel form, petty cash etc).

PEACE, Inc. follows the IRS reimbursement rate for mileage. The first and last day of travel are valued at 75% of the per diem rate, unless travel is before 7am or after 7pm and then 100% of the daily rate is given for the first and/or last day.

103.1 Tips (12/5/08)(10/20)

The maximum standard tip amount is 15% for federal grants. Tips required by restaurants or providers above this will be handled in the following manner:

The overage must be approved by either the Executive Director/CFO/or Controller

The amount over 15% will not be charged onto a federal grant

We allow restaurant tips over 15% on the federal grants if it is mandated by the restaurant for groups over a certain number or for an event

103.2 Entertainment (11/16)

Costs of amusement, diversion, social activities, ceremonials, and costs relating thereto, such as meals, lodging, rentals, transportation and gratuities are unallowable. (Subpart E Cost Principles, sec 200.438)

103.3 Travel Emergencies (for Weatherization Jobs)

Where emergency work-related travel is unplanned and could not be foreseen, the travel authorization form must indicate "EMERGENCY". The form must be signed by the Traveler and Supervisor prior to traveling. The remaining required signatures must be obtained upon returning and prior to reimbursement of expenditures. Receipts are still required for all expenses except when the per diem rate is used for meal and incidentals.

104. CASH DISBURSEMENTS (CHECK-WRITING) POLICIES

105. Check Preparation (11/12), (1/16)(9/16)(11/16)(11/19)(1/20)

It is the policy of PEACE, Inc. to print vendor contractor checks and expense reimbursement checks on a weekly basis, as funds permit. Checks shall be prepared by persons independent of those who initiate or approve expenditures, as well as those who are authorized check signers.

The check signing sequence of events is as follows

The CFO or Controller will notify the Accounts Payable Specialist of the amount of available funds.

The Accounts Payable Specialist forwards an "Aged Accounts Payable Report" to the CFO, and indicates those items that require payment (including priority vendor contractors).

CFO signs and returns the aged accounts payable to the Accounts Payable Specialist with any adjustments and total of payments to be issued. The CFO will ask any questions needed to complete this review.

Accounts Payable Specialist accumulates the required invoices and support in a stack for review, along with the Open Invoice Report and the Aged Account Payable Reports and forwards them to the Senior Accountant for review.

The Senior Accountant reviews the stack of proposed payments to ensure all documentation is attached including:

- Original invoice or appropriate substitute
- Required signatures
- Completed Checklist of controls
- Required quotes
- Dates included: PO, Receiving and Invoice are in appropriate sequence
- Identification of any fixed assets

The Senior Accountant signs the Open Invoice Report and Aged Accounts Payable Report for approval, and returns to the Accounts Payable Specialist.

The Accounts Payable Specialist cuts the checks, and forwards the following to the CFO:

- Aged Accounts Payable (signed by CFO)
- Open Invoice Report (signed by Senior Accountant)
- Project Distribution Reports
- Stack of checks with attached support

CFO reviews the payment support and signs the "Open Invoice Report". There is a separate set of reports for each operating cash account:

- M & T Bank – 100% Head Start (with credits solely for Head Start)
- Key Bank – other and Head Start mix, and credits

Any adjustments to the original signed Aged Accounts Payable will be signed by the CFO.

CFO signs and forwards the cut checks with support to the Executive Director or alternate signor for his signature. The operating account checks require two signers (Executive Director, CFO, ~~Deputy Director~~, Human Resources Director, or specified Board Members).

Signed checks with support are returned to the CFO or Senior Accountant. The Senior Accountant sets up the Head Start draw if appropriate, which is received the following day. The Senior Accountant disburses the checks after the CFO confirms we have received the draw. We strive to disburse DHHS checks within 24 hours of check issuance, but within grant guidelines. For checks issued from the M&T operating account, a draw is received into the Key Bank operating account. A check is then drawn on the Key Bank operating account and deposited into the M&T operating account.

All vendor contractor and expense reimbursement checks shall be produced in accordance with the following guidelines:

1. Expenditures must be supported in conformity with the purchasing, accounts payable, and travel and business entertainment policies described in this manual
2. Timing of disbursements should generally be made to take advantage of all early-payment discounts offered by vendor contractors, as available funds allow
3. Generally, all vendor contractors shall be paid within 30 days of submitting a proper invoice upon delivery of the requested goods or services, available funds permitting
4. Total cash requirements associated with each check run is monitored in conjunction with available cash balance in bank prior to the issuance of any checks
5. All supporting documentation is attached to the corresponding check prior to forwarding the entire package to an authorized check signer
6. Checks shall be utilized in numerical order (unused checks are stored in a locked cabinet in the accounting department)
7. Checks shall never be made payable to "bearer" or "cash"
8. Checks shall never be signed prior to being prepared
9. Upon the preparation of a check, vendor contractor invoices shall immediately be stamped "PAID" to prevent subsequent reuse.
10. Checks are released after being signed. Checks are not to be held, except as stated below. If a problem arises and the check will not be sent out, the check is to be voided. Some checks are held for office personnel or predetermined pick up by payee. The person picking up the check signs a log when pick up is complete.
11. Checks to be voided are signed by the CFO, and entered into the general ledger daily as they occur.

106. Check Signing (1/6/09)

Refer to section 121 – Cash Accounts for the list of signers for each bank account.

Check signers will be presented with all original supporting documentation to ensure that each item has been properly checked prior to signing a check. Checks should not be signed if supporting documentation appears to be missing or there are any questions about a disbursement.

The Payroll Specialist or Senior Accountant may not change or correct timesheets. When errors are noted, if a corrected and approved timesheet is not re-submitted in time to the Payroll Specialist or Senior Accountant, the employee may not receive a pay check until the next pay period (or via a manual check if so approved by the CFO). In the event that a corrected timesheet will not reach the Accounting Department in time for payroll processing, the designated supervisor may authorize the necessary corrections via e-mail. The e-mail will be attached to the timesheet as back-up for the correction.

Tampering with, altering, or falsifying time records, recording time on another employee's time record, or willfully violating any other timesheet policy or procedure may result in disciplinary action, up to and including discharge.

117. Review of Payroll (11/12)

Upon return of payroll reports and checks from the payroll service center (ADP) the Payroll Specialist and/or Senior Accountant review all reports for completeness before distribution to employees.

118. Distribution of Payroll (11/12)(1/19)(10/20)

Employees can sign up for the option of "E-Vouchers" and they can view their paystub information online. If an employee receives E-Vouchers, there will be no pay vouchers produced or mailed to them.

Any paychecks are delivered to the Main Office. Human Resources compares the paychecks to the employee listing. Employees that have "live" checks can pick up checks on each Friday pay date at the main office from Human Resources. Checks not picked up by 4:00 pm on Friday pay date are mailed. All pay vouchers for direct deposits are mailed to the employees' home address on file.

If a live check is not received by an employee in the mail within one week of issue, given all information is correct, the employee should contact Human Resources to see if the check has been returned. If deemed necessary, a stop payment will be processed and a replacement check will be issued with the next payroll.

119. Employee Loans and Payroll Advances (9/11)

Loan advances and advances in pay are not permitted.

Employees will not be able to "cash in" on their Accrued Time Off prior to termination.

119.1 Accrued PTO/ETO and other categories as defined (12/12)(11/16)(10/17)(11/17)

Annually for the audited financial statements the accrued PTO/ETO and other categories as defined is recalculated and adjusted. If an employee eligible for payment of accrued time leaves, and it is allowable under the grant and there are funds available, the accrual would be paid with grant funds. If it is not allowable, unrestricted income would be used to pay the accrued PTO/ETO and other categories as defined.

POLICIES PERTAINING TO SPECIFIC ASSET AND LIABILITY ACCOUNTS

120. CASH AND CASH MANAGEMENT (8/15)

121. Cash Accounts (8/14), (1/16)(9/16) (10/16)(11/16)(6/17)(9/17)(10/17) (9/18)(12/18)(5/19)(10/19)(1/20)(10/20)

General Checking Account (operating account):

There are 2 operating accounts maintained – Key Bank and M & T Bank (for Head Start and Early Head Start). The operating accounts provide for routine business check disbursements. ACH payments from DHHS will be made directly to the Key Bank account.

We have two operating accounts:

Key Bank Existing account used for all cash transactions other than Head Start and Early Head Start federal grant activity. If a disbursement is split between Head Start and other, it will be issued with a Key Bank check.

This account is a checking account, with a layer of insurance as follows:

First \$250,000 – covered by FDIC insurance

Over \$250,000 – covered by a 3rd party collateralized agreement

M&T Bank The M&T Bank account is used for cash transactions related to Head Start and Early Head Start federal grant activity. This account will ensure accountability for all funds drawn for Head Start and Early Head Start through DHHS, and that the funds are used for authorized purposes. Draws for Head Start and Early Head Start will be made into the Key Bank operating account, and then deposited by Key Bank check into this M&T bank account.

Note that during the COVID 19 period, we only used the Key Bank account for check runs to reduce unnecessary steps.

This account is a checking account, with a layer of insurance as follows:

First \$250,000 – covered by FDIC insurance

Over \$250,000 – covered by a 3rd party collateralized agreement

Note: Accounts payable payments for an item that is a combination of Head Start/Early Head Start, and other responsibility centers will be made from the Key Bank account. Draw

for Head Start/Early Head Start will be based on the direct charges and indirect rate charges to the grant, including cash disbursements, payroll and journal entries.

The Key Bank checking account (320-9000-674-24) is used exclusively for Weatherization Landlord Contributions as required by the grantor. Upon completion of the job, contributions may be transferred to our operating account. This account is also used for HCR bid deposits. A separate account is not required by HCR. However, HCR approves of us using this account.

Bank	Bank Account #	G/L Account #	Description
Key Bank	204-86465-8	01-1000-00000	This account is the Agency's main operation account. There is a third party collateralized agreement. TYPE: Checking PROGRAM: Agency RECONCILED BY: HR Benefits Administrator SIGNORS: Any 2 of: - President - Treasurer - Executive Director - HR Director - CFO - Deputy Director TELEPHONE INTERNAL TRF AUTHORIZATION: Signors above INTERNET ACCESS CFO Controller
Key Bank	320-9000-674-24	01-1004-00000	HCR landlord contributions and bid and performance bond deposits are deposited into this account. TYPE: Checking PROGRAM: Energy & Housing RECONCILED BY: Payroll Specialist SIGNORS (1) - Executive Director - CFO

Cooperative Federal	'1/8049.0	01-1007-00000	CLOSED 5/28/19
M&T	9836896200	01-1010-00000	It is used to issue checks exclusively for HS and EHS and related grants. There is a third party collateralized agreement. TYPE: Checking PROGRAM: Head Start RECONCILED BY: HR Benefits Administrator SIGNORS (2 OF) President Treasurer Executive Director HR Director CFO Deputy Director TELEPHONE INTERNAL TRF AUTHORIZATION: Signors above INTERNET ACCESS CFO
Key Bank	790087 4988	01-1012-00000	This account is for Capital Improvements/Repairs, under the Executive Director's direction. It is being used to separate funds as funds are available for "nest egg". This account is covered by the third party collateralized agreement. It is an interest bearing account. PROGRAM: Agency RECONCILED BY: Payroll Specialist SIGNORS (1): Executive Director CFO HR Director
M&T	9847324069	01-1013-00000	Closed as of 8/14.
M&T	15004220951485	01-1014-00000	Closed as of 8/14.

Key Bank	7900987178	01-1015-00000	To hold health care premiums until disbursements are made for claims and other related health care payments, activity and fees. Disbursements made by check and ACH Type: Checking Program: Corporate Reconciled by: Controller or Payroll Specialist Signors: (2 of) Executive Director HR Director CFO

MVP holds an account with Chase that pays the individual health insurance claims. PEACE, Inc. does not have access to this account.

If a crisis occurred, we would be able to verbally draw funds on our Key Bank line of credit, and follow up with appropriate paperwork as soon as possible so we would be able to meet payroll or other immediate needs.

Bank Statements- will be opened by the Human Resources Director. The HR Director will open the envelope with the bank statements, review the statements, sign the statement and ask any questions. Some bank statements are printed by the CFO from the internet.

Bank Reconciliations are to be completed by staff who are not involved with either cash receipts or disbursements. There is no separate payroll account.

The operating accounts (Key Bank and M&T) will be reviewed daily by the CFO through on-line capabilities to ensure cash is flowing smoothly and timely.

The Controller is the backup for the CFO for cash functions.

122. Payroll Account (11/12)

The Agency does not maintain a separate payroll account. The Agency is normally notified Wednesday of the pay week by the ADP payroll service provider of the amount that will be deducted

from the Agency's operating account for that week's payroll. The normal payday is Friday. When the payday is a holiday, the sequence of days is backed up for the holiday. All payrolls are biweekly.

123. Bank Reconciliations (11/13), (1/16)(9/16)(9/17)(10/17)(10/19)

Bank account statements received in the mail are forwarded unopened to the Human Resources Director for review and signature. The CFO maintains a daily reconciliation of the Key Bank and M & T operating cash accounts of the Agency via online banking technology (M & T effective 10/05).

The bank reconciliations for these accounts will be prepared by an employee who does not record deposits or withdrawals from the accounts. The reconciliations are forwarded to the CFO for review, signature and filing. The two operating bank reconciliations will be available for review by the Finance Committee at the monthly Finance Committee meetings.

The two accounts will be reconciled before the current month closes for financial statements. A formal reconciliation will be completed by the end of the subsequent month.

To complete the bank reconciliations for Key Bank and M & T operating in a timely manner (as we receive the bank statements mid month), the following information will be used.

- Copy of the checkbook balance (showing also the bank and general ledger balances and activity)

- Copy of the bank activity from a printout from the bank's internet site, or bank statement, if available

- Copy of the general ledger

The cash reconciliations will be prepared showing ending balance in separate columns for checkbook (if applicable), bank and general ledger. Deposits in transit and outstanding checks will be listed, and each individual reconciling item identified. There will be an indication of the status of the individual reconciling items.

A reconciliation will be completed for the Key Bank and M&T Bank operating accounts reconciling the checkbook, bank, and general ledger. Copies of the above will be attached to the reconciliation.

Other cash account reconciliations will reconcile the general ledger to the bank statement, with a copy of the bank statement and general ledger attached. These reconciliations are due before the subsequent month closing.

All other bank reconciliations are prepared by the accounting staff, reviewed and signed by the CFO and filed.

Bank reconciliations and copies of resulting journal entries are filed in the current year's accounting files. The Key Bank canceled checks (image copy) are printed from the bank's online site monthly by the CFO. M&T operating account cancelled checks (image copy) are returned with the bank statement.

The CFO will ensure that the bank reconciliation reflects the general ledger ending balance.

The Purchasing Director is responsible to review any requests for new petty cash accounts or changes in imprest amount. These changes are to be approved by the CFO. Because some sites close temporarily and reopen, petty cash accounts are closed during that time and reopened when the site reopens, in that instance, there is no need for CFO to re-approve the reopening of a petty cash account.

There is one Petty Cash account maintained in the Controller's office by the Senior Accountant. The cash disbursement form payable to the Senior Accountant must be signed by another member of the Accounting staff.

127. Bank Transfers (1/6/09)

The Executive Director or CFO shall be the only PEACE, Inc. employees authorized to approve bank transfers between PEACE, Inc. bank accounts. Written authorization is presented to the bank to transfer funds, signed by the Executive Director or CFO.

127.1 Line of Credit (11/12)(9/16)(10/16)

The Line of Credit is maintained at Key Bank. The line of credit is accessed by a written letter to the bank to draw on the line of credit with indication of the receivables supporting the request. The repayment on the line is completed with another letter from the CFO to the bank. In an emergency, the line of credit may be accessed verbally by the signors, with appropriate paperwork completed as soon as possible.

Two signors are required for a draw from the following list: Board President, Second Vice President, Treasurer, Secretary, or Specified Board Member. Also, the Executive Director must sign (CFO in his absence). In an emergency, a verbal communication can be used to draw funds, followed up with appropriate paperwork as soon as possible.

128. INVENTORY

129. Description of Inventory (11/12) (10/20)

PEACE, Inc. maintains an inventory of goods for future use. Specifically, items that are held in inventory include:

1. Food service supplies
2. transportation department supplies/ bulk oil ~~(fuel discontinued 7/20)~~
3. maintenance department supplies
4. DEHS
5. DEHS – Oswego County – includes "new" inventory as well as carried forward inventory

130. Physical Counts (11/10)

It is the policy of PEACE, Inc. to perform a physical count of inventory at minimum on an annual basis. Any inventory items that appear damaged, obsolete or otherwise unable to be sold shall be excluded

11. Physical Inventory and date
12. Utilization
13. Ultimate disposition data including the date of disposal and sale price

A physical inventory of all assets capitalized under the preceding policies will be taken on a bi-annual basis by PEACE, Inc. This physical inventory shall be reconciled to the property log and adjustments made as necessary. All adjustments resulting from this reconciliation will be approved by the CFO. The physical inventory of fixed assets will be completed by fiscal staff who are not in the purchasing department or involved in recording and maintaining fixed asset records.

135. Receipt of Newly-Purchased Equipment and Furniture (1/6/09)

At the time of arrival, all newly-purchased equipment and furniture shall be "eyeballed" for obvious physical damage. If an asset appears damaged or is not in working order, it shall be returned to the vendor contractor immediately.

In addition, descriptions and quantities of assets per the packing slip or bill of lading shall be compared to the assets delivered. Discrepancies should be resolved with the vendor contractor immediately.

The IT Director maintains a listing of computer hardware for items under the fixed asset threshold. The IT Director will supervise a periodic comparison of the list to physical items (may be accomplished electronically in some cases).

135.1 Construction In Progress (11/13), (1/16)(11/16)(11/19)

Construction in Progress is reconciled to the general ledger monthly by a Senior Accountant. Copies of ~~purchasing support~~ are to be forwarded to the Senior Accountant by Purchasing, Accounts Payable Specialist or the Accountants, as soon as it is recognized there is a purchase for Construction In Progress.

The Senior Accountant will list all charges, meet with the originators to determine the estimated time for completion, and indicate such on the reconciliation. When we reach the indicated month of completion, the Senior Accountant should contact the originator and the Accountants involved to determine if the item is ready to move to Fixed Assets or other accounts.

136. Depreciation and Useful Lives

All capitalized assets are maintained in the special fixed assets account group and are not to be included as an operating expense. Fixed assets are depreciated over their estimated useful lives using the straight-line method.

In the year of acquisition, depreciation is recorded based on the number of months the asset is in service, counting the month of acquisition as a full month (Example: an asset purchased on the 15th

day of the fifth month shall have 8 full months of depreciation (eight-twelfths of one year) recorded for that year.

Estimated useful lives of capitalized assets shall be determined by the Accounting Department in conjunction with the department or employee that shall utilize the asset.

For accounting and interim financial reporting purposes, depreciation expense will be recorded on a monthly basis.

137. Repairs of Fixed Assets

The program managers responsible for the equipment shall periodically inspect the equipment and ensure there are adequate maintenance procedures to keep the equipment in good condition. They shall maintain controls to prevent loss, damage or theft.

Expenditures to repair capitalized assets shall be expensed as incurred if the repairs do not materially add to the value of the property or materially prolong the estimated useful life of the property.

Expenditures to repair capitalized assets shall be capitalized if the repairs increase the value of property, prolong its estimated useful life, or adapt it to a new or different use. Such capitalized repair costs shall be depreciated over the remaining estimated useful life of the property. If the repairs significantly extend the estimated useful life of the property, the original cost of the property shall also be depreciated over its new, extended useful life.

138. Dispositions of Fixed Assets (2/16)(11/19)

There are specific procedures that must be followed to dispose or transfer a fixed asset having a fair market value of \$5,000 or more.

We must receive a written statement from the grantor permitting disposal or transfer of a fixed asset with a fair market value of \$5,000 or more. Also refer to (2CFR Part 200.313(e)). If the item was purchased with grant money, we must report program income.

No employee is authorized to take or buy any item from PEACE, Inc.

A fixed asset disposal form which will identify the funding source and enable accounting to locate the item in the fixed asset records will be prepared. The fair market value will be determined using the blue book for vehicles.

If the item is sold outside the company, determination will be made for the possible program income. If the item was purchased with grant money, we must report program income. If an item is not scrap, but is disposed, we must receive 3 quotes when applicable to receive the maximum price for the item. If the item is a vehicle, we will obtain the "blue book" value to use as a guide. If the item is scrapped as junk, we will receive either a written receipt at the trash site where disposed, or a written statement signed by the Executive Director or CFO.

140. LEASES

141. Classification of Leases

It is the policy of PEACE, Inc. to classify all leases in which the Agency is a lessee as either capital or operating leases. PEACE, Inc. shall utilize the criteria described in Statement of Financial Accounting Standards No. 13 in determining whether a lease is capital or operating in nature. Under those criteria, a lease shall be treated as a capital lease if, at the time of entering into the lease, any of the following factors are present:

1. The lease transfers ownership to PEACE, Inc. at the end of the lease term;
2. The lease contains a bargain purchase option;
3. The lease term is equal to 75% or more of the estimated economic life of the leased property;
or
4. The present value of the minimum lease payments is 90% or more of the fair value of the leased property (using, as the interest rate, the lesser of PEACE, Inc.'s incremental borrowing rate or, if known, the lessor's implicit rate).

All leases that do not possess any of the four preceding characteristics shall be treated as operating leases. In addition, all leases that are immaterial in nature shall be accounted for as operating leases.

The CFO is to review all new leases. An analysis will be completed by the CFO or designee to determine if a lease is an operating or capital lease.

142. Accounting for Leases (10/20)

All leases that are classified as operating leases and immaterial capital leases shall be accounted for as expenses. ~~The new regulations for lease classifications is postponed until 2021~~

All leases that are classified as capital leases shall be treated as fixed asset additions of PEACE, Inc. As such, upon the inception of a capital lease, PEACE, Inc. shall record a fixed asset and a liability under the lease, based on the net present value of the minimum lease payments (or the fair value of the asset, if it is less than the present value of the lease payments). Periodic lease payments shall be allocated between a reduction in the lease obligation and interest expense. The fixed asset recorded under a capital lease shall be depreciated over the term of the lease, using the straight-line method of depreciation.

PEACE, Inc. shall also maintain a control list of all operating and capital leases. This list shall include all relevant lease terms.

154. GOVERNMENT RETURNS

155. Overview

To legitimately conduct business, PEACE, Inc. must be aware of its tax and information return filing obligations and comply with all such requirements of federal, state and local jurisdictions. Filing requirements of PEACE, Inc. include, but are not limited to, filing annual information returns with the IRS, information returns for retirement plans and payroll tax withholding returns.

156. Filing of Returns (11/12)(11/16)(10/17)(10/19)(10/20)

It is the policy of PEACE, Inc. to become familiar with the obligations in each jurisdiction and to comply with all known filing requirements. The CFO shall be responsible for identifying all financial filing requirements and assuring that PEACE, Inc. is in compliance with all such requirements. The CFO maintains a list of required tax filings and other key financial reports.

It is also the policy of PEACE, Inc. to file complete and accurate returns with all authorities. PEACE, Inc. shall make all efforts to avoid filing misleading, inaccurate or incomplete returns.

Filings made by PEACE, Inc. include, but are not limited to, the following returns:

1. **Form 990** - Annual information return of tax-exempt Agencies, filed with IRS. Form 990 for PEACE, Inc. is due on the fifteenth day of the fifth month following year-end. An automatic 3-month extension of time to file Form 990 may be obtained by filing Form 8868. Upon expiration of the first 3-month extension, a second 3-month extension may be requested using Form 868.
2. **Form 5500** - Annual return for PEACE, Inc.'s employee benefit plans. Forms 5500 is due the last day of the seventh month following the end of the plan year, but a request for extension of time to file may be filed. These returns are handled by the Human Resources Department.
3. **W-2's and 1099's** - Annual report of employee and non-employee compensation, based on calendar-year compensation, on the cash basis. These information returns are due to employees and independent contractors by January 31 and to federal government by January 31.
4. **Form 941** - Quarterly payroll tax return filed with IRS to report wages paid to employees and federal payroll taxes. Form 941 is due by the end of the month following the end of each quarter, or 10 days later if all payroll tax deposits have been made in a timely manner during the quarter. (Prepared and filed by ADP).
5. **Form 990-T (discontinued after FYE 1/31/20)**

PEACE, Inc.'s fiscal and corporate tax year-end is January 31. All annual tax and information returns of PEACE, Inc. (Form 990 and **Form 99-T- to be discontinued after FYE 1/31/20**) are filed on the accrual basis of reporting.

162. FINANCIAL AUDIT

163. Role of the Independent Auditor (5/15)(7/18)(10/18)(11/20)

It is the policy of PEACE, Inc. to arrange for an annual required audit of the Agency's financial statements to be conducted by an Independent Certified Public Accounting firm on time in accordance with Title 2 of the Code of Federal Regulations, Uniform Administrative Requirements, Cost Principles, and Audit Requirement (if applicable) and/or State audit threshold requirements. The independent accounting firm selected by the governing body of PEACE, Inc. will be required to communicate directly with the Agency's Finance Committee upon the completion of their audit. In addition, members of the Finance and Executive Committee are authorized to initiate communication directly with the independent accounting firm. Only independent directors are allowed to participate on the Finance Committee deliberations and voting.

The Finance Committee recommends the selection of the external auditors to the Board for approval. The Finance Committee will annually review the performance and independence of the auditors to retain/renew the independent auditors.

The Finance Committee will meet annually with the auditors prior to the commencement of the audit to review the scope of the audit and the audit plan.

The auditors will meet with the Finance Committee annually to discuss:

- Auditor's opinion
- Review the results of the audit and Management letter
- Any material weaknesses in internal controls
- Any restrictions on the scope of the auditor's activities or access to requested documents
- Any significant disagreements between the auditors and the management

~~The meeting with the auditors and the Finance Committee will be reflected~~ in the Committee minutes. After the financial statements have been reviewed and approved by the Finance Committee, the independent accounting firm will present the audited financial statements to the Board of Directors at an annual meeting for the Board to receive and accept the audit, and will be reflected in the Board minutes.

164. How Often to Review the Selection of the Auditor (5/15)

PEACE, Inc.'s governing body shall review the selection of its independent auditor in the following circumstances:

1. Anytime there is dissatisfaction with the service of the current firm
2. When a fresh perspective and new ideas are desired
3. Every 5 years to ensure competitive pricing and a high quality of service (this is not a requirement to change auditors every five years; simply to re-evaluate the selection)

165. Selecting an Auditor (9/11)

173. FUNCTIONAL EXPENSE ALLOCATIONS

174. Overview (11/13)(7/18) (9/18)(10/19)(11/20)

As one of its financial management objectives, PEACE, Inc. strives to determine the actual costs of carrying out each of its program service and supporting activities. In this regard, it is the policy of PEACE, Inc. to charge expenses to the appropriate category of program service or supporting activity. Expenses that serve multiple functions or are not readily identifiable with one function shall be allocated between functions whenever possible.

We will follow the cost allocation procedures of our various funding sources.

Program and supporting service functions of PEACE, Inc. are:

Programs:

1. Head Start and Early Head Start
2. Family and Community Development
3. Big Brothers Big Sisters
4. Department of Energy and Housing
5. Foster Grandparent Program/Senior Services
6. Senior Nutrition
7. Senior Services
8. EHC
9. Eastwood Community Center
10. Any other

Supporting Services: (8/14) (12/14) (8/16) (11/16)

1. Indirect administrative departments including (Executive Dept, Fiscal Office, Human Resources, IT Department, Supplemental Costs (if needed), Main Office, Community Engagement Department, and Board of Directors.

175. Direct Charging of Costs (11/13)(11/19)

Certain internal costs shall be directly charged to the appropriate PEACE, Inc. function (projects and jobs) based upon underlying documentation. The following costs shall be directly charged based on the documentation or factor listed next to each:

<u>Cost</u>	<u>Basis For Charge</u>
Salaries	Timesheets and salary allocation worksheets
Occupancy (facilities) costs	Actual square footage used by each function
Transportation	Actual based on work log summaries, actual timesheets &
actual vehicles	
Maintenance	Actual based on timesheets/allocation sheets

Insurance
Food Service

Based on insurance policy and programs benefited
Based on production records and mileage

With the exception of salaries, which are recorded with each payroll cycle, all other costs identified above may be initially charged to one account when incurred, then allocated and recorded to the appropriate functions via monthly journal entries.

176. Allocation of Overhead Costs (11/10)

On a monthly basis, the Agency's administrative department costs are allocated to the various programs/grants based on an approved indirect cost plan approved by the Department of Health and Human Services. The rate used is the lower of either actual or the approved rate.

176.1 Other Cost Allocations (11/13) (10/19)

The Controller and ~~for Senior Accountant~~ will maintain cost allocation documentation for items such as: maintenance, transportation, insurance and food service. A fiscal accountant will maintain documentation for salaries and fringe benefits. These allocations are reviewed and updated annually as needed.

177. Contracts

The following procedures pertain to all legal agreements entered on behalf of PEACE, Inc.:

TYPE:	Grant Contracts, Agreements, MOU's Proposals, etc.	Vendor contractor Contracts and Agreements
-------	--	---

SIGNOR:	Executive Director	Executive Director
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POLICIES PERTAINING TO FEDERAL AWARDS

178. ADMINISTRATION OF FEDERAL AWARDS

179. Definitions

There are several types of agreements through which PEACE, Inc. may receive financial assistance from a donor/grantor agency:

Grant: A financial assistance award given to the Agency to carry out its programmatic purpose.

Contract: A mutually binding legal agreement where the Agency agrees to provide supplies and/or services and the grantor agrees to pay for them.

Cooperative Agreement: A legal agreement where the Agency implements a program with the direct involvement of the donor.

Throughout this manual, federal assistance received in any of these forms will be referred to as a federal "award."

180. Preparation and Review of Proposals (2/11/08)(6/17/19)

The individual departments are responsible for preparing proposals for projects that the department intends to pursue.

When deemed appropriate, the proposal for new funding/new program applications will be reviewed by the Executive Director, CFO, Program Director, and Planning and Community Engagement Manager prior to submission to the funding agency.

Fiscal revisions that are necessary shall be prepared in conjunction with the fiscal office and the Program Director. Any necessary signatures by the Executive Director or CFO shall be obtained at the time of the revision. Budget amendments will then be forwarded to the CFO to input into the Financial Edge system.

181. Post-Award Procedures (11/12)(9/17)(10/18)(10/20)

After an award has been made, the following steps shall be taken:

1. Verify the specifications of the grant or contract. ~~The Planning and Community Engagement Manager~~, program director and Accountant may meet to review grant awards if applicable, including items such as terms, time periods, award amounts and expected expenditures associated with the award and other as appropriate. A CFDA (*Catalog of Federal Domestic Assistance*) number shall be determined for each federal award where applicable.
2. Create new general ledger account numbers and project #. New accounts shall be established for the receipt and expenditure categories in line with the grant or contract budget.
3. Gather documentation. A file is established for each grant or contract. The file contains the proposal, applicable correspondence regarding the grant or contract, the final signed award document.

182. Compliance with Laws, Regulations and Provisions of Awards (12/09)

PEACE, Inc. recognizes that as a recipient of Federal funds, the Agency is responsible for compliance with all applicable laws, regulations, and provisions of contracts and grants. Along with the Fiscal Policies and Procedures presented in this manual, all policies and procedures required by the grantor will be followed. To ensure that the Agency meets this responsibility, the following policies apply with respect to every grant or contract received directly or indirectly from a Federal agency:

1. For each Federal award, the PEACE, Inc. program director of that award is responsible for administering the award.
2. An Accounting Department employee is assigned the financial duties of the new award based on the program and the award benefits

The financial data is to be related to the performance data to develop unit cost information whenever practical.

182.1 Special Provisions Regarding HHS (12/12)

The Federal government has an interest in all real property and equipment acquired or upon which major renovations have been undertaken with grant funds for use as a Head Start Facility.

Facilities acquired with grant funds may not be mortgaged or used as collateral, or sold or otherwise transferred to another party, without the written permission of the responsible HHS official.

Use of the facility for other than the purpose for which the facility was funded, without the express written approval of the responsible HHS official, is prohibited.

BALANCE AT
10/31/20

ACCT #	INCLUDE IN AIR 'ROJEC	ACCT DESCRIPTION	10/31/20	CURRENT	1-30	31-60	61-90	OVER 90
01-1100-00000	1040 FISCAL		8,752.00	-				8,752.00 NON PROFIT PARKING TAX -
01-1100-00000	2097 CACFP		63,167.27	-	63,167.27			
01-1100-00000	2207 HS COVID 19		69,227.01	-	69,227.01			
01-1100-00000	2407 HS		94,438.08	-	94,438.08			
01-1100-00000	2607 SYRACUSE UPK		143,613.56	-	98,699.56	44,914.00		
01-1100-00000	2907 LIVERPOOL EPK		5,831.54	-	5,831.54			
01-1100-00000	3237 OFA		38,650.55	-	38,650.55			
01-1100-00000	3327 FGP CNCS		3,410.07	-	3,410.07			
01-1100-00000	3485 NEIGHBORHOOD ADVISOR		2,688.91	-	2,688.91			
01-1100-00000	3486 EISEP		3,416.66	-	3,416.66			
01-1100-00000	3559 BBBS OSWEGO CNTY		2,591.36	-				2,591.36 TRANSFERRED TO THE FFPP GRANT
01-1100-00000	3623 BBBB DEFRANCISCO		9,908.56	-			4,954.28	4,954.28 GRANTOR SAID CATCHING UP
01-1100-00000	3755 OPWDD PROJ CONNECTION		8,793.00	-				8,793.00 SLOW PROCESSING
01-1100-00000	4016 CSBG		168,997.51	-	168,997.51			
01-1100-00000	4017 CSBG		124,021.14	-	124,021.14			
01-1100-00000	4167 CSBG RE-ENTRY		51,213.10	-	51,213.10			
01-1100-00000	4185 CDBG DUNK YOUR JUNK		1,779.18	-		1,779.18		
01-1100-00000	4194 HPNAP		12,343.28	-	5,922.28	4,823.33		
01-1100-00000	4999 COVID-19		222,193.40	-	222,193.40			
01-1100-00000	5106 KRESGE		1,890.86	-	1,890.86			
01-1100-00000	7020 TULLY		400.00	-		400.00		
01-1100-00000	9082 CENTRO		79,586.27	-	79,586.27			
01-1100-00000	9125 EMPOWER		19,376.15	-	19,376.15			(82.20) WRITE OFF 11/20
01-1100-00000	9142 UNITED WAY		6,177.36	-	6,177.36			
01-1100-00000	9310 DEHS FEE FOR SERVICE		9,401.02	-	2,846.80	6,554.00		0.22 TO WRITE OFF IN 12/20

PEACE, INC.
ACCOUNTS RECEIVABLE
AS OF OCTOBER 31, 2020

ACCT #	INCLUDE IN A/R PROJEC	ACCT DESCRIPTION	BALANCE AT				
			10/31/20	CURRENT	1-30	31-60	61-90
01-1100-00000		10882 VOLL FOUND	8,000.00	8,000.00			
01-1220-000	YES	A/R SALES & EXCISE TAX REFUND					
			1,159,785.64	1,089,754.52	56,691.33	3,376.85	4,954.28
							25,008.66

P.E.A.C.E., INC.
MONTHLY FINANCIAL STATEMENTS
NOVEMBER 2020

PAGE #

1 Statement of Financial Position

3 Statement of Activities

6 Current Ratio

7 Comments

11 Comparative Information By Program

People's Equal Action and Community Effort, Inc.
Statement of Financial Position
As of November 30, 2020

As of
November 30, 2020

ASSETS		
CURRENT ASSETS		
Cash	\$	1,807,445
Receivables		1,105,520
Prepaid Expenses		10,399
Inventory		378,052
Other Assets		58,725
Total CURRENT ASSETS		3,360,140
PROPERTY		
Land		204,793
Buildings		2,742,270
Leasehold Improvements		5,649,707
Vehicles		3,000,313
Equipment		986,419
Construction in Progress		99,934
Accumulated Depreciation		(9,907,708)
Total LONG TERM ASSETS		2,775,729
Total ASSETS	\$	6,135,868

①

People's Equal Action and Community Effort, Inc.
Statement of Financial Position
As of November 30, 2020

As of
November 30, 2020

LIABILITIES & NET ASSETS	
CURRENT LIABILITIES	
Accounts Payable Trade	\$ 11,663
Short Term Borrowings	140,752
Accrued Payroll & Related Liabilities	792,194
Accrued Compensated Absences	266,617
Accrued Expenses	2,909
Deferred Revenue	954,008
Deposits	400
TOTAL CURRENT LIABILITIES	2,168,543
NET ASSETS	
Without Donor Restrictions	3,747,444
With Donor Restrictions	219,881
Total LONG TERM ASSETS	3,967,325
Total LIABILITIES AND NET ASSETS	\$ 6,135,868

People's Equal Action and Community Effort, Inc.
Statement of Activities
For Ten Months Ending November 30, 2020

	Annual Budget	Year To Date Budget	Current Year Year To Date	Prior Year Actual Year To Date
REVENUE:				
Direct Contributions & Fundraising	\$ 249,089	219,574 \$	102,298 \$	267,784
Government Agencies	19,878,345	16,210,769	15,779,004	16,014,128
Rental Income	17,507	14,589	12,992	60,100
Service Fees	717,767	598,139	415,490	588,012
Service Fees - Energy & Housing Fee for Service	347,010	289,175	19,583	58,141
In-Kind Revenue	3,442,540	2,868,783	2,846,248	4,037,329
Dividend, Interest & Other Income	-	-	122	446
Total	24,652,258	20,201,030	19,175,736	21,025,940
EXPENSES				
Salaries	11,887,758	9,556,362	9,005,332	9,033,607
Payroll Taxes & Fringe Benefits	3,387,842	2,727,109	2,482,901	2,481,849
Professional Fees & Contract Services	1,087,294	906,084	661,495	829,537
Conferences & Travel	332,627	280,010	108,107	290,765
Occupancy Costs	1,196,205	994,945	977,279	1,008,082
Consumable Supplies	1,885,304	1,572,225	1,265,805	1,588,386
Equipment Expense	315,117	264,867	393,133	308,281
Insurance	352,041	293,384	309,990	287,439
Telephone	155,848	129,888	161,941	139,006
Printing, Postage & Dues	129,193	108,616	84,159	91,139
Vehicle Maintenance	226,750	188,969	97,957	164,728
Interest Expense	2,500	2,083	1,422	1,673
Other Costs & Loss on Disposals	125,560	185,678	54,953	42,318
In-Kind	3,442,540	2,868,783	2,846,248	4,029,429
Total	24,526,581	20,079,005	18,450,721	20,296,238
NET SURPLUS (DEFICIT)	125,678	122,026	725,015	729,702
DEPRECIATION				
Buildings & Leasehold Improvements	(216,270)	(180,225)	(184,736)	(195,588)
Equipment, Vehicles, and Software	(266,419)	(222,015)	(243,577)	(286,933)
Total	(482,689)	(402,240)	(428,312)	(482,521)
CHANGE IN NET ASSETS	\$ (357,011) \$	(280,215) \$	296,703 \$	247,181

People's Equal Action and Community Effort, Inc.
Statement of Activities
For Ten Months Ending November 30, 2020

	Fundraising	Non-Allocable	Indirect Pool	Trans & Maint
REVENUE:				
Direct Contributions & Fundraising	19,501			200
Government Agencies				
Rental Income				
Service Fees				
Service Fees - Energy & Housing Fee for Service			36,610	31,999
In-Kind Revenue		105		
Dividend, Interest & Other Income		105		
Total	19,501	105	36,610	32,199
EXPENSES				
Salaries	29	24	1,172,153	
Payroll Taxes & Fringe Benefits	48	2	254,804	
Professional Fees & Contract Services		674	49,100	2,213
Conferences & Travel			17,052	239
Occupancy Costs		9	94,153	(19,075)
Consumable Supplies		268	10,222	6,263
Equipment Expense	2,850		40,969	7,637
Insurance	53		23,917	10,898
Telephone			11,497	6,040
Printing, Postage & Dues			23,227	604
Vehicle Maintenance			3,324	(33,176)
Interest Expense		1,422		
Other Costs & Loss on Disposals	173	19,357	(1,700,398)	11,745
In-Kind			36,610	31,999
	3,153	21,756	36,630	25,389
NET SURPLUS (DEFICIT)	16,348	(21,651)	(20)	6,810
DEPRECIATION				
Buildings & Leasehold Improvements		(179,580)		(4,038)
Equipment, Vehicles, and Software		(235,725)		(2,772)
Total	-	(415,305)	-	(6,810)
CHANGE IN NET ASSETS	16,348	(436,956)	(20)	-

People's Equal Action and Community Effort, Inc.
Statement of Activities
For Ten Months Ending November 30, 2020

	Grants	Rental Properties	Other
REVENUE:			
Direct Contributions & Fundraising			82,797
Government Agencies	15,778,804		
Rental Income		12,992	
Service Fees			415,490
Service Fees - Energy & Housing Fee for Service			19,583
In-Kind Revenue	2,770,267		7,372
Dividend, Interest & Other Income	8		10
Total	18,549,078	12,992	525,251
EXPENSES			
Salaries	7,237,531	6,505	589,091
Payroll Taxes & Fringe Benefits	1,983,961	2,081	242,004
Professional Fees & Contract Services	608,734	93	680
Conferences & Travel	82,322		8,493
Occupancy Costs	789,508	11,012	101,671
Consumable Supplies	1,929,113		(680,062)
Equipment Expense	337,408	238	4,031
Insurance	258,428	3,595	13,098
Telephone	135,596	215	8,592
Printing, Postage & Dues	48,489		11,840
Vehicle Maintenance	114,609		13,200
Interest Expense			
Other Costs & Loss on Disposals	1,592,622	1,434	130,021
In-Kind	2,770,267		7,372
	17,888,589	25,172	450,032
NET SURPLUS (DEFICIT)	660,489	(12,180)	75,219
DEPRECIATION			
Buildings & Leasehold Improvements		(1,035)	(83)
Equipment, Vehicles, and Software		(72)	(5,008)
Total		(1,107)	(5,091)
CHANGE IN NET ASSETS	660,489	(13,287)	70,129

PEACE, INC.
CURRENT RATIO
AS OF NOVEMBER 30, 2020

	CURRENT ASSETS	CURRENT LIABILITIES	CURRENT RATIO	DIFFERENCE IN DOLLARS
1/31/05	2,029,803	2,184,993	92.90%	(155,190)
1/31/06	1,569,391	1,792,909	88.65%	(203,518)
1/31/07	1,775,817	1,891,171	93.89%	(115,554)
1/31/08	2,321,076	2,355,826	98.52%	(34,750)
1/31/09	1,576,343	1,754,019	89.87%	(177,676)
1/31/10	3,296,876	3,284,011	100.08%	2,865
1/31/11	3,744,177	3,531,750	106.01%	212,427
1/31/12	2,306,292	1,886,324	122.26%	419,968
1/31/13 - FIRST CLOSE	1,949,478	1,278,319	152.50%	671,159
1/31/14 - FIRST	1,493,007	895,712	166.68%	597,295
1/31/15 FINAL	2,679,027	2,135,917	125.43%	543,110
1/31/16 FIRST CLOSE	2,312,267	1,667,694	138.65%	644,573
1/31/17 PRELIM	2,036,080	1,398,479	145.59%	637,601
1/31/18 - FIRST CLOSE	2,008,901	1,523,164	131.89%	485,737
1/31/19 FINAL	2,353,073	1,919,548	122.58%	433,525
2/28/19	NOT CALCULATED AS 1/31/19 NOT CLOSED FOR FISCAL YEAR END			
3/31/19	2,175,248	1,758,308	123.71%	416,940
4/30/19	2,059,263	1,680,483	122.54%	378,780
5/31/19	2,434,147	2,034,830	119.62%	399,317
6/30/19	2,613,436	2,210,356	118.24%	403,080
7/31/19	2,249,616	1,868,270	120.41%	381,346
8/31/19	2,283,226	1,902,774	119.98%	380,452
9/30/19	2,513,973	2,136,602	117.66%	377,371
10/31/19	2,601,615	2,150,011	121.00%	451,604
11/30/19	2,523,188	2,063,131	122.30%	460,057
12/31/19	2,379,150	1,935,057	122.95%	444,093
1/31/20 FIRST CLOSE	2,283,412	1,826,420	125.02%	456,992
2/29/20	NOT CALCULATED AS 1/31/20 NOT CLOSED FOR FISCAL YEAR END			
3/31/20	2,940,863	2,093,532	140.47%	847,331
4/30/20	3,086,254	2,273,546	135.75%	812,708
5/31/20	2,876,938	1,935,509	148.64%	941,429
6/30/20	2,914,887	1,952,078	149.32%	962,809
7/31/20	2,862,944	2,017,688	141.89%	845,256
8/31/20	2,776,977	2,292,270	121.15%	484,707
9/30/20	2,956,922	2,367,035	124.92%	589,887
10/31/20	3,055,761	2,245,186	136.10%	810,575
11/30/20	3,360,140	2,168,543	154.95%	1,191,597

AS OF:

6

PEACE, INC.
FINANCIAL STATEMENT NOTES AND COMMENTS
AS OF NOVEMBER 30, 2020

NOTE: Shutdown as of March 17, 2020 due to COVID-19, with the office reopen on July 6, 2020

CURRENT RATIO STATUS

The current ratio is an analysis of current assets divided by current liabilities.
The goal is to have at least 100%, to ensure we have enough current assets to cover our current liabilities.

The current ratio for November 30, 2020 is 154.95%, which equates to current assets \$1,191,597 higher than current liabilities.

NET SURPLUS (DEFICIT) BEFORE DEPRECIATION

The budgeted net income before depreciation year to date is \$122,026 and actual is \$725,015. The change in net assets after depreciation is \$296,703.

An overview of the components making up this (\$87,051) is:

From Normal Operations:

Senior Nutrition
Centro and SCSD Parent Liaison
Fundraising
Transportation & Maintenance
Rental Properties
Energy & Housing Fee for Service
Other
Non-Allocable
Indirect Cost not allowed on grant

8,026
38,085
16,348
6,810
(12,180)
3,193
8,162
(21,651)
5,459
52,252

From "Timing Differences" (over period of more than one year the net effect is \$0)

Fixed Asset Purchases
Revenue Recognition
Special Donation Accounts

314,149
374,657
(16,043)
672,763

725,015

TOTAL FUNDRAISING REVENUE:
 COST CENTER #100 FUNDRAISING (WITH TRANSFERS)
 SPECIAL DONATION ACCOUNTS
 MEAL CONTRIBUTIONS

19,501
 31,273
 51,524
 102,298

LINE OF CREDIT

BALANCE BEGINNING OF MONTH

\$

BALANCE AT END OF MONTH

\$

Current month interest expense

NA

Date interest paid

NA

CAPITAL IMPROVEMENT/REPAIR CASH ACCOUNT

Balance at Beginning of Month

\$ 431,727.64

Balance at End of Month

\$ 431,727.64

INDIRECT RATE

The final rate for year ending 1/31/20 IS 21.8%
 The provisional rate for 2/1/20 - 1/31/23 is 24.00%

11/20
 11/19

22.04%
 22.05%

ANALYSIS OF IN-KIND AND HEAD START ADMINISTRATIVE RATES:

Unless otherwise stated, the booked In-Kind includes entries are through the previous month, due to the quick close of financial statements each month. Therefore, the In-Kind below includes an estimate for the current month based on actual for the prior month.

IN-KIND (MAJOR GRANTS)

Note that itinerant In-Kind is down from the prior year. This includes physical therapists, occupational therapists, and speech therapists. As an example, 9/30/20 vs 9/30/19 is down \$179,415. This is due to the Covid 19 shutdown.

2407 Head Start	IN-KIND	EXPENDITURES	%	REQUIRED
	2,455,004	8,565,672		
TOTAL HS & EHS	2,455,004	8,565,672	0.29	0.25
IN-KIND POSTING IS ONE MONTH BEHIND				
4016 CSBG	661,728	1,329,226	0.50	N/A
4017 CSBG	240,616	254,927	0.94	N/A

ADMINISTRATIVE RATE

HEAD START ADMIN. RATE	(NOT TO EXCEED) REQUIRED
0.11	0.15

2407 Head Start

WEATHERIZATION FEE FOR SERVICE PROGRAMS

No closings due to COVID-19

Net income for Fee for Service programs is:

	Current Month	Year To Date
9125 Empower New York	194	445
9310 DEHS Fee for Service	-	2,748
9600 Multifamily Performance	194	3,193

9.

ACCRUAL ACCOUNTING

We are accruing invoices for not only the indirect pool, but also any projects that are not cash basis. This includes projects such as the rental locations and temporarily restricted accounts waiting for year end.

DEPRECIATION

Purchases with grant funds - we recognize the revenue when we purchase the fixed asset. Then in subsequent years, we must reflect the depreciation as an expense that hits our "Change in Net Assets".

10

PEACE, INC.
COMPARATIVE INFORMATION BY PROGRAM
AS OF NOVEMBER 30, 2020

CC

		REVENUE		NET		PROGRAM
		ANNUAL BUDGET	YTD BUDGET	ANNUAL BUDGET	YTD ACTUAL	
	3557 BBBS OSWEGO	6,500	5,417	(1,083)		BBBS
	3558 BBBS OSWEGO				(312)	BBBS
	3559 BBBS OSWEGO	25,000	20,833			BBBS
	3621 BBBS BNY MELLON	13,540	9,450			BBBS
	3623 BBBS. DEPT CRIMINAL JUST					BBBS
	3624 ***BBBS BNY MELLON	7,500	6,250		(19,019)	BBBS
	3625 ***BBBS JOHN BEN SNOW				(3,438)	BBBS
	3626 ****BBBS JOHN BEN SNOW				6,042	BBBS
	3627 BBBS ARBY'S			(2,998)		BBBS
	3657 BBBS ONONDAGA CO.	15,000	12,500			BBBS
	3658 BBBS ONONDAGA CO.	232,311	193,592		(3,042)	BBBS
4016-554	CSBG					BBBS
4017-554	CSBG	16,150	13,458			BBBS
9140 BBBS UNITED WAY						BBBS
9142 BBBS UNITED WAY		313,601	263,401	(4,200)	(19,769)	BBBS
152 CAPITAL IMPROVE/REPAIR						CAPITAL IMPROVE
				(5,000)	(1,228)	
				(5,000)	(1,228)	
9082 CENTRO		708,813	590,677	64,318	37,773	CENTRO
		708,813	590,677	64,438	37,773	
3001 EARLY CHILDHOOD CAREER						COMM SVC
3002 AEI EARLY CHILDHOOD						COMM SVC
4015-534	CSBG					COMM SVC
4015-535	CSBG					COMM SVC
4015-537	CSBG					COMM SVC
4016-502	CSBG	576,313	480,429			COMM SVC
4016-530	CSBG	7,868	6,865			COMM SVC
4016-532	CSBG	161,078	134,232			COMM SVC
4016-533	CSBG	136,213	113,528			COMM SVC
4016-534	CSBG	133,278	111,065			COMM SVC
4016-535	CSBG	80,746	67,271		21,665	COMM SVC
4016-536	CSBG	151,083	125,902			COMM SVC

11

PEACE, INC.
COMPARATIVE INFORMATION BY PROGRAM
AS OF NOVEMBER 30, 2020

CC	REVENUE			NET		
	ANNUAL BUDGET	YTD BUDGET	YTD ACTUAL	ANNUAL BUDGET	YTD ACTUAL	PROGRAM
4016-537 CSBG	183,242	119,368	184,947			COMM SVC
4017-502 CSBG			105,158			COMM SVC
4017-530 CSBG			1,475			COMM SVC
4017-532 CSBG			19,963			COMM SVC
4017-533 CSBG			22,625			COMM SVC
4017-534 CSBG			20,541			COMM SVC
4017-535 CSBG			11,980			COMM SVC
4017-536 CSBG			16,749			COMM SVC
4017-537 CSBG			66,830			COMM SVC
4137 KEY BANK EITC	375,08	2,931				COMM SVC
4165 SCSD ESFR ALTERN PROG	65,000	54,167				COMM SVC
4167 CSBG RE-ENTRY	142,500	118,750	66,949			COMM SVC
4168 HPNAP FOOD BANK	16,500	14,083				COMM SVC
4169 ESPRI ESFR	20,130	16,282	3,776			COMM SVC
4170 COMMUNITY FOUND	4,134	3,462	3,727			COMM SVC
4171 ESFR ONONDAGA CNTY	25,184	20,987				COMM SVC
4172 ***ESFR ALLYN FOUND					(10,625)	COMM SVC
4174 UNITED WAY EITC	61,750	51,458	57,687			COMM SVC
4175 ESFR DOL WOMENS EMP	129,492	107,916	138,492			COMM SVC
4178 CWFRC HEALTH FOUND			2,147			COMM SVC
4179 SCSD ALT PROG ESFR/WSFR			37,539			COMM SVC
4180 HPNAP			24,439			COMM SVC
4181 *** ESFR BOEHEIM FOUND					(10,000)	COMM SVC
4182 ESFR COMM FOUND DUNK			6,000			COMM SVC
4183 EITC UNITED WAY			2,679			COMM SVC
4185 CDBG - DUNK YOUR JUNK			1,781			COMM SVC
4186 ***JBS SNOW FOUND			5,000			COMM SVC
4187 CSBG DISC FUNDS			50,000			COMM SVC
4188 COM FOUND EMERG			8,650			COMM SVC
4189 CSBG CARES			223,508			COMM SVC
4190 FSD COMMUNITY FOUND			34,951		57,104	COMM SVC
4191 HPNAP FOOD BANK			42,235		34,302	COMM SVC
4192 ALLYN FOUND ESFR			43,440		(1,677)	COMM SVC
4193 *** KEY BANK DYI ESFR			2,500			COMM SVC
4194 SCSD ESFR/WSFR			16,047		733	COMM SVC
4195 COMMUNITY FOUND CENSUS			15,000			COMM SVC
4999 COVID 19			181,538			COMM SVC

PEACE, INC.
COMPARATIVE INFORMATION BY PROGRAM
AS OF NOVEMBER 30, 2020

CC	REVENUE		NET		PROGRAM
	ANNUAL BUDGET	YTD ACTUAL	ANNUAL BUDGET	YTD ACTUAL	
5105 ***DSRIP/VBP	70,100	485,750		478,228	COMM SVC
5106 KRESGE FOUND	34,749	10,034	(7,465)	(1,649)	COMM SVC
5107 *** VBP FOOD PROJ		17,000		11,982	COMM SVC
5108 VBP FOOD PROJ					COMM SVC
5109 ***CNYCC FPPP COVID	1,963,544	247,994		199,606	COMM SVC
		3,009,013	(7,985)	779,668	
9015 CEFRC		100		(259)	DONATIONS
9040 COUNTY WEST		100		94	DONATIONS
9260 FGP RECOGNITION ACCT		225		114	DONATIONS
9500 MISC - HS		1,859		(7,208)	DONATIONS
9506 FOOD PANTRY					DONATIONS
10801 HS ADMINISTRATION		57		57	DONATIONS
10802 HS B'VILLE					DONATIONS
10803 HS JAMES ST		877		205	DONATIONS
10804 HS JORDAN				(796)	DONATIONS
10805 ST. DANIEL'S					DONATIONS
10807 HS ST. BRIGID					DONATIONS
10808 ROCKWELL					DONATIONS
10810 HS LAFAYETTE		47		68	DONATIONS
10816 HS SUMNER					DONATIONS
10819 ESFR					DONATIONS
10822 CEFRC					DONATIONS
10823 CSFRC		2,988		2,263	DONATIONS
10824 CWFRC					DONATIONS
10826 EHS ADMIN PREG					DONATIONS
10828 BBBS		15		15	DONATIONS
10829 BBBS BOWL KIDS SAKE		6,093		(7,728)	DONATIONS
10830 EASTWOOD SENIOR CENTER				(14)	DONATIONS
10831 FGP					DONATIONS
10832 COMMUNITY DEVELOPEMNT		60		60	DONATIONS
10834 CS CROP WALK					DONATIONS
10835 CW EMERGENCY					DONATIONS
10838 SENIOR SERVICES		696		408	DONATIONS
10839 SSFRC COORD SPECIAL					DONATIONS
10841 WE COORD SPECIAL					DONATIONS

13

PROGRAM

51

3131 DHCR - LANDLORD CONTR
3187 HCR

PEACE, INC.
COMPARATIVE INFORMATION BY PROGRAM
AS OF NOVEMBER 30, 2020

CC

	REVENUE			NET			PROGRAM
	ANNUAL BUDGET	YTD BUDGET	YTD ACTUAL	ANNUAL BUDGET	YTD BUDGET	YTD ACTUAL	
2096 CACFP	14,386,316	16,359,775	78,660			-	HS
2097 CACFP			133,397			-	HS
2205 ***GRO MORE GARDEN						(350)	HS
2207 HS/EHS COVID 19						42,600	HS
2407 HEAD START	13,268,896	9,148,206	612,877			84,934	HS
2457 HS T&TA	106,350	88,455	28,441			-	HS
2507 EHS	3,853,463	3,134,241		50,000	60,000	-	HS
2557 EHS T&TA	20,651	58,876	8,744			-	HS
2606 ***SYR CITY UPK	1,123,000	935,833	531,858			(278,502)	HS
2607 ***SCSD UPK			216,162			-	HS
2906 LIVERPOOL UPK	42,500	35,437	20,000			-	HS
2907 LIVERPOOL UPK			10,948			-	HS
	16,906,975	13,734,628	12,436,047	60,000	60,000	(151,318)	
1010 MAIN OFFICE			33,096	1,241,546	1,193,805	(183,686)	INDIRECT POOL
1014 SUPPLEMENTAL COSTS				(100,625)	(100,388)	-	INDIRECT POOL
1020 EXECUTIVE OFFICE				(358,207)	(284,878)	(262,289)	INDIRECT POOL
1030 HR				(459,163)	(316,057)	(307,960)	INDIRECT POOL
1040 FISCAL				(732,800)	(678,827)	(604,653)	INDIRECT POOL
1070 MIS			3,514	(166,136)	(133,636)	(143,653)	INDIRECT POOL
1080 PROGRAM OVERSIGHT				(330,471)	(275,912)	(232,462)	INDIRECT POOL
1090 BOARD OF DIRECTORS				(19,100)	(11,693)	(1,621)	INDIRECT POOL
1095 INDIRECT POOL ALLOCATION			36,610	2,442,407	1,953,196	1,736,305	INDIRECT POOL
						(20)	
150 NON-ALLOCABLE			105	(21,000)	(17,500)	(21,651)	NON-ALLOC
153 NON-ALLOCABLE DEPREC				(473,280)	(354,400)	(415,305)	NON-ALLOC
			105	(494,280)	(471,900)	(436,956)	
3755 OPWDD	71,634	59,695	(1,759)			-	PROJ CONN
3756 OPWDD			52,886			-	PROJ CONN
4016-552 CSBG	31,637	26,364	19,269			-	PROJ CONN
4017-552 CSBG	103,273	86,059	1,825			-	
			72,222			-	

REVENUE			NET	
ANNUAL BUDGET	YTD BUDGET	YTD ACTUAL	ANNUAL BUDGET	YTD BUDGET
41,000	34,167	6,756		
44,265	36,868	8,108		
		22,828		
		28,932		
5,481	4,318	3,231		
		701		
90,446	75,172	70,556		
4,800	4,000	4,000	766	638
6,648	5,540	5,440	1,974	1,415
3,659	3,049	3,049	1,143	952
2,400	2,000	1,800	747	623
		(1,298)	(20,461)	(16,967)
17,507	14,569	12,992	(12,711)	(10,689)
		200		
		31,999		
		32,199		
		93,799		
		93,799		
24,652,256	20,201,030	19,175,736	(357,011)	(280,119)
24,652,238	20,201,030	19,175,736	(357,011)	(280,115)

P.E.A.C.E., INC.
SUPPLEMENTAL FINANCIAL INFORMATION
PREPARED FOR FINANCE COMMITTEE
AS OF NOVEMBER 30, 2020

FILE: CONTROLLER/FINANCIALS/SUPPLEMENTAL
FINANCIAL INFORMATION

NOTE: All cost center Statement of Activities are available for all Finance Committee and Board Meetings
A copy of the Fiscal Policy and Procedure manuals is present at all Finance Committee and Board Meetings.
Note - there are no Finance Committee or Board meetings during the months of July and August.
Finance Committee meetings were held remotely during covid 19 period.

UNRELATED BUSINESS INCOME (TO BE UPDATED PERIODICALLY)

OUTSIDE OF COUNTY:

BBBS OSWEGO CO. GRANT
MULTIFAMILY PERFORMANCE PROGRAM

NOT UNRELATED BUSINESS PER AUDITORS

OUTSIDE OF LOW INCOME GUIDE:

ASSISTED HOME PERFORMANCE

TOTAL

TOTAL REVENUE

%

GUIDE - % OF ALL REVENUE

	-
	19,175,736
	0%
	15% - 30%

1

BANK ACCOUNTS

BANK	DESCRIPTION	G/L ACCT #	BALANCE AT MONTH END	MONTH LAST RECONCILED
KEY BANK	Operating	01-1000-00000	1,169,488.82	11/20
KEY BANK	DHCR Landlord Contr.	01-1004-00000	5,104.89	10/20
M&T	Operating for HS	01-1010-00000	23,861.67	11/20
KEY BANK	Capital Improvement/Repair Account	01-1012-00000	431,727.64	10/20
KEY BANK	Health Captive Account	01-1015-00000	169,836.69	11/20
All Petty Cash			7,425.00	
			<u>1,807,444.71</u>	

NOTE: The two main operating accounts for Key Bank and M&T are reconciled before statements are released for the month. The remaining account reconciliations are due by the end of the subsequent month.

2

NOTE: The review of reconciliations will be caught up - delayed due to COVID 19 and no board meetings in July and August Due to social distancing for COVID 19, Finance Committee meetings are held remotely. Therefore noone to sign reconciliations.

OPERATING CASH ACCOUNTS:

REVIEWER

10/20

KEY BANK

658

Bob Tackman

M&T

6200

Bob Tackman

The above operating bank account reconciliations are presented to the Finance Committee, and a committee member initials upon review. The reconciliations are presented for the prior month, as we close and present monthly financial statements so quickly.

CREDIT CARD STATEMENTS:

NOT APPLICABLE DURING THE SUMMER MONTHS OF JULY AND AUGUST

KEY BANK (OPERATING AND DMV)
GENERAL PURCHASES

1720 AND -9177

Patricia Usherwood

HOME DEPOT
USED BY E&H, MAINTENANCE

-5148

Dave Scharoun

WEGMANS
USED BY HEAD START, FOOD SERVICES

VARIOUS

Patricia Usherwood

VALVOLINE
USED BY VARIOUS DIRECTORS - OIL CHANGES

-4050-6

Eric Caballero

The above credit card statements are presented to the Finance Committee, and a committee member initials upon review. The credit card statements are for the prior month as we close the books quickly.

NOTE: There has been no review of items below as meetings are not held during the months of July and August. Since the inception of COVID 19, there have been no onsite Finance Committee meetings

OTHER TO REVIEW:	FINANCE COMMITTEE REVIEW	
Cost Allocation	12/9/19	
NYS Vendor Responsibility Questionnaire (semi-annual) Copy available for review	3/11/19	
Cash Receipts - periodic	9/10/18	
Cash Disbursements - periodic	5/18/2016	

AGED ACCOUNTS RECEIVABLE AS OF OCTOBER 31, 2020

	TOTAL	CURRENT	1-30	31-60	61-90	90 +
See statement Attached.	1,159,786 100%	1,069,755 92%	56,691 5%	3,377 0%	4,954 0%	25,009 2%

Description of items over 90 days old - see attached for information

Note: The amounts shown are for the prior month, as the reconciliations are not due until the end of the month after the month reported.

12

AGED ACCOUNTS PAYABLE AS OF NOVEMBER 30, 2020

M&T BANK

	TOTAL	CURRENT	1-30
%			
None			
# of invoices over 90 days old			0

	TOTAL	CURRENT	1-30
%			
Description of items over 90 days old:			
None			
# of invoices over 90 days old			0

ACCOUNTING AND FINANCIAL POLICIES AND PROCEDURES MANUAL and TRAINING

The corporate budget for the fiscal year February 2021 through January 2021 was sent to the Finance Committee members. An Executive Summary and highlights were also forwarded to the members. The CFO will discuss the proposed budget. It will then be forwarded to the full Board, and voted on at the January 2021 Board meeting.

The CFO also forwarded a copy of the changes to the Fiscal Policies and Procedures manual. Notes were remitted highlighting changes. This will be presented at the Finance Committee meeting.

LEGAL

PEACE, Inc. was served a summons on 9/29/14 regarding AR Apartments, LLC. This is regarding the shared water/septic system and the shared driveway at our Lafayette Head Start location (PEACE, Inc. owns this site). AR Apartments, in general, is suing for two items. 1) Interest due of \$2,610.40 for a late repair bill payment and 2) \$26,599.60 for 1/2 of the costs related to driveway negotiations, PEACE, Inc. is paying \$2,610.40. NO CHANGE

On November 24, 2014 we were served with a complaint from a volunteer at Eastside Family Resource Center who fell while unloading a CNY Food Bank delivery truck. We have contacted Frank Price, Esq., and our insurance carrier. This incident will be covered by insurance. Our defense counsel, Mackenzie Hughes, filed a response on 12/12/14. Per correspondence from Mackenzie Hughes on 9/14/15, they believe exposure to PEACE, Inc. is slight to zero, as PEACE neither owned the truck or pallets involved. As of 2/13/17, depositions should occur within the next few months. As of a 7/4/17 update, this legal action is still open with a conference scheduled for 7/12/17. As of an 9/28/17 update, our attorney is waiting for depositions to be lined up. The claimant's attorney has not been responding timely. This case is still active. Plaintiff's disposition was held on 12/27/17, and per Mackenzie Hughes her testimony was "completely inconsistent with the allegations As of 10/3/18, the matter is still pending. Per the Mackenzie attorney the plaintiff's attorney is dragging her feet. She expects a trial date will be set soon. Update as of June 28, 2019 - a conference with the judge was requested, and we are waiting for a date. On September 23, 2019 our attorney attended a conference regarding this case. The plaintiff's lawyer had lost the file previously, and now cannot locate the plaintiff. Another conference is planned for November to resolve this case. As of November 4 we will reach out to attorney for any update.

A sexual Harassment complaint has been filed with the Division of Human Rights in January 2019. The agency through it's attorney has responded to the complaint and is now awaiting a response from DHR. The same complaint was filed with EEOC that found insufficient basis for filing a charge of discrimination. This case is pending as the investigation continues. There is a meeting scheduled for October 16, 2019. A settlement offer was made and declined by the plaintiff. We are now awaiting a hearing. As of August 27, 2020 the case was dismissed from NYS Department of Human Rights. The complainant will pursue the action in federal court. We are awaiting more information. We received another monetary demand and our attorney is scheduling mediation. We are waiting for the date of the mediation. As of December 7, 2020 we have been given some possible dates for mediation.

TRIAL BALANCE AS OF NOVEMBER 30, 2020

0 Balance of Trial Balance at month end (should be \$0) Verified by CFO is \$0
report may be printed at any time if directed by the Board. There will be a copy presented periodically.
The CFO prints the final preview page, reflecting the \$0 balance.

3/8/10 FOR 2/28/10
1/10/11 FOR 12/10
3/12/12 for 2/12
9/10/12 for 1
2/11/13 FOR 1/31/13 - FIRST CLOSE
9/9/13 FOR 8/13
10/20/14 FOR 9/14
11/9/15 FOR 10/15
10/17/16 FOR 9/16
4/10/17 for 3/17
10/16/17 FOR 9/17
10/15/18 FOR 9/18
3/9/20 FOR 2/20

6

FISCAL VOUCHERING FOR ALL GRANTS

The CFO maintains a list of due dates for all grant vouchers.

All grant vouchers have been sent during the month

Yes

VOUCHERING FOR ALL OTHER BILLINGS (RENTS, CENTRO, ETC)

The CFO maintains a list of due dates for all vouchers.

All other vouchers have been sent during the month

Yes

If not, explain:

REQUIRED TAX FILINGS

The CFO has reviewed that all required tax filings have been submitted on time (payroll and corporate)

Yes

CASH FORECAST

The CFO will prepare cash forecasts as needed.

MEAL COUNTS - NOVEMBER 2020

Breakfast
Lunch
Snack
Total Attended

3,398
3,491
3,344
3,987

7

