

Richland County Land Reutilization Corporation - Accounting Policies and Procedures

Approved August 15, 2019

Financial Reporting

Financial reporting for the Organization will be on the modified cash basis of accounting during the year. Accounting records will be maintained using QuickBooks by Land Bank Staff. Conversion to GAAP will be done for year-end financial reporting to the State of Ohio.

Manager presents for Board of Directors approval at first of two monthly Board Meeting the following reports printed out of QuickBooks:

- Available balances in all bank accounts
- Budget vs actual statement run from QuickBooks
- Report of financial position run from QuickBooks
- Monthly transaction statement run from QuickBooks

Every two years (odd calendar years) State of Ohio Auditor and/or Independent Contractor will prepare an audit using Generally Accepted Government Auditing Standards.

Land Bank Board of Directors will contract with a qualified entity to prepare Land Bank's yearly GAAP report.

Property Tracking

- All property specific income and expenses will be tracked by property through the use of QuickBooks classes
- All non-property specific income and expenses will be classed to the administrative class in QuickBooks
- Funding Source will be tracked through the use of QuickBooks chart of accounts
- A classification file is created for every property and all paper documentation including pictures, invoices, deeds, purchase agreements, etc. will be filed in corresponding property file

Land Bank Accountant

Land Bank contracts with qualified CPA to act as Land Bank's accountant. CPA will be available to answer all accounting questions and will come into office at least once a month to:

- Assist with QuickBooks as needed
- Update QuickBooks as needed
- Reconcile checking accounts (all bank statements go directly to CPA's office from bank)
- Review QuickBooks records

- Oversee and evaluate any grant funding
- Post any adjusting entries
- Will be available to review and assisting in preparing all required funding reports as needed

Contracted CPA's duties will include, but not be limited to the following:

- Assist with preparation of budgets
- Cash flow projection when requested by Board of Directors
- Federal form 990
- Ohio Charitable Registration Report
- Forms 1099

Bank Accounts

Bank statements can be accessed by CPA and any Board Member.

Deposits

- Deposits will be made weekly or when there is \$500 or more, whichever comes first
- When deposits are made, undeposited funds are recorded as deposited in QuickBooks
- The amounts on the deposit screen in QuickBooks are matched to the actual deposit
- The deposit slip is printed out of QuickBooks
- A copy of the deposit slip and checks is retained in the office
- Once deposit slip is created, Land Bank employee takes deposit to the bank and gets a deposit receipt
- Deposit slip and the receipt and deposit stub are stapled together and filed in folder by year

Checks-writing

- Manager or Administrative Assistant will write all checks in QuickBooks, check will be printed onto pre-printed checks
- This records the expense on the books of the Organization
- All checks will have a class coding in QuickBooks to track by property or administrative
- Property related checks are written as needed
- Two Board members must sign each check

Expenditures

All expenditures must be approved by Board of Directors. The Board has authorized Manager to approve the following expenditures without prior approval:

- Office supplies

- Contractor change orders up to \$1,000.00
- Minor lawn repairs/debris removal/maintenance up to \$500.00 per property
- Copier fees
- Cost of Auditor deeds
- Richland County Auditor transfer fees
- Richland County Recorders recording fees
- Abatement cost up to \$2,500.00
- Title searches
- Legal Ads
- Asbestos analysis
- Postage
- Board-up/Locksmith services
- Property Inspections
- Greening
- Software updates

The Board has authorized Chairman of the Board of Directors to approve the following travel expenditures without prior approval:

- Cost associated with Board Members/Staff Networking with other Land Banks/Counties, Quarterly Land Bank Network Meetings, Annual Land Bank Conference, Land Bank Association Meetings, EPA Meetings/Workshops, Lobbying Events, and National Land Bank Conferences.
 - Mileage reimbursement for Board Member/Staff personal vehicle for actual miles traveled at Standard IRS Rates or actual cost of other transportation
 - Meals including beverage up to \$25.00 per person excluding alcohol per meal
 - Motel/Hotel accommodations including night before and night(s) of (single occupancy) excluding gratuities, telephone surcharges, gym/spa charges, and mini-bar and snack fees
 - Parking fees

Payment of Invoices

- Manager receives invoices
- Manager or Administrative Assistant writes a check for each invoice in QuickBooks. Appropriate cost is assigned to corresponding class
- Manager prepares a spreadsheet showing vender name, expense, and corresponding property if applicable
- Spreadsheet along with check attached to actual invoice is presented to Board of Directors at next available Board meeting
- Board approves payment of invoice
- Checks are signed by two Board members and manager mails them

Sale of Properties

Purchase Agreement

- During regular Board meetings, Board members are given details of particular property
- Board approves (or takes no action) taking ownership and/or transfer of each property
- Two Board members sign purchase agreements of property to be transferred to end user
- Administrative Assistant collects (50% of purchase price) in the form of check and/or cash from end user when purchase agreement is signed
- Administrative Assistant enters purchase agreement into QuickBooks prints two receipts showing balance due. The receipt indicates the name of the end user and the property (class) involved
- The receipt is signed by the end user
- One copy of the receipt is given to the end user. A signed copy is kept in the file
- Checks and/or cash are put into cash box located in a locked draw in the bookkeeping office until deposited. Accounting office has security camera
- The receipt in QuickBooks enters the deposit as undeposited funds

Invoice

- During closing Administrative Assistant collects balance due in the form of check and/or cash from end user
- Administrative Assistant converts purchase agreement into invoice in QuickBooks and prints two invoices
- The invoice is signed by the end user
- One copy of the invoice is given to the end user. A signed copy is kept in the file
- Checks and/or cash are put into cash box located in a locked drawer in the bookkeeping office until deposited. Accounting office has security camera
- The invoice in QuickBooks enters the deposit as undeposited funds
- Invoice will cause the transaction to be included in the cash basis financials for the organization

Delinquent Tax Fees (DTAC)

- Manager writes letter to County Treasurer after each half of real estate/mobile home tax collection has been settled requesting 5% of penalties and interest from monies collected from delinquent taxes pursuant to ORC 321.263
- Manager takes amount to Board of Directors at next available meeting for Board to approve accepting funds
- Manager receives check from County Treasurer
- Checks are put into cash box located in a locked drawer in the bookkeeping office until deposited. Accounting office has security camera

- The receipt in QuickBooks enters the deposit as undeposited funds
- The recording of the receipt will cause the transaction to be included in the cash basis financials for the organization

Cash Donations

- During regular Board meetings, Board members are given details about donation
- Board approves (or takes no action) to accept donation
- Manager enters donation into QuickBooks prints two invoices. The receipt indicates the name of the donor and the property (class) that donated funds will be used for.
- The invoice is signed by the donor
- One copy of the receipt is given to the end user. A signed copy is kept in the file
- Checks and/or cash are put into cash box located in a locked draw in the bookkeeping office until deposited. Accounting office has security camera
- The receipt in QuickBooks enters the deposit as undeposited funds
- Invoice will cause the transaction to be included in the cash basis financials for the organization

Grants and Other Awarded Funds

- Board of Directors authorizes Manager to submit request for funds in accordance with funding requirements. Manager and/or Administrative Assistant to register, update, and maintain passwords for the following:
 - Allita
 - Upload property information
 - Request reimbursements
 - Request release of liens
 - DUNS
 - Update as necessary
 - SAM
 - Renew yearly
 - Update password when prompted by email
 - Grants.gov
 - Update password when prompted
 - ACRES
 - Quarterly Reporting
 - Update password when prompted
- Manager will report all requests for funds to Board of Directors at next available meeting
- CPA will review and then enter all funds received by electronic funds transfer directly deposited in Lank Bank's account into QuickBooks
- The recording of the funds will cause the transaction to be included in the cash basis financials for the organization

For funds that are required to be deposited in an interest bearing account, a separate account will be set up in accordance with funding source guidelines.

- As invoices come in that need paid from interest bearing account, Manager will present invoices and check at next available Board Meeting
- Board will approve transferring monies from interest bearing account into regular checking account to cover expenses
- Board will approve Manager mailing checks only after designated Board Member transfers the funds from one account to the other
- After being notified funds have been transferred, Manager will obtain two Board Members signatures and mail checks

Contract Work Income

- Contract work will be performed in accordance with “Richland County Land Bank Demolition Contractual Guidelines” approved July 24, 2019
- Invoices will be prepared on a property by property basis through QuickBooks.
- Invoices will detail all costs being charged
- Invoices will include the agreed upon administrative fee
- Invoices Repayment Terms per contract
- Invoices will be mailed to the customer by Manager
- When invoices are paid Manager will receive the check
- The check will be recorded as a receipt against the invoice in undeposited funds
- Checks and/or cash are put into cash box located in a locked draw in the bookkeeping office until deposited. Accounting office has security camera
- The recording of the receipt will cause the transaction to be included in the cash basis financials for the organization

Profit and Loss per Project

- Upon completion/transfer of any property and/or project, Manager will run from QuickBooks a Profit and Loss statement to be presented at next available board meeting for Board review and approval

Mortgages

- Mortgages will be recorded in QuickBooks as a liability when received
- Upon satisfaction of the mortgage, the liability will be repaid and removed

Computer backups

- All information technology is maintained by the Richland County Auditor using County protocol

At the Board meeting of August 15, 2019, Marilyn John moved the adoption of the foregoing resolution, seconded by Jeff Parton, and upon call of the roll the following vote resulted: Mr. Hamilton, Yes; Mr. Theaker, Absent; Mr. Vero, Yes; Mr. Craft, Yes; Ms. John, Yes; Mr. Holden, Absent; Mr. Parton, Yes.

I hereby certify that the foregoing is a true and correct copy of a resolution duly adopted by the Board of Richland County Land Reutilization Corporation, Richland County, Ohio, on the 15th day of August, 2019.



Amanda Hike, Administrative Assistant

This replaces all previous Accounting Policies and Procedures