

## **The POGIL PROJECT**

### **Internal Controls**

Internal Controls are the financial processes and procedures that enable The POGIL Project to safeguard its assets. The most effective procedures are those that have the greatest segregation of duties. The more people involved in the process, the less likely it is that an error or defalcation will occur. Generally, The Board of Directors approves the system of internal controls.

#### **General Controls:**

- More than one person is in the accounting process whenever possible. This is usually the Bookkeeper and the Controller.
- The Associate Director receives unopened bank statements and reviews the contents before they are given to the Bookkeeper for reconciliation.
- Bloomerang platform is used to receive and record donations.
- WildApricot platform is used to track and record registrations for POGIL events. Quickbooks Online is used to track financial obligations for registrations.
- A review of Profit/Loss statement in the Transactional General Ledger is conducted on a quarterly basis by the Executive Director/Associate Director/Controller/Bookkeeper.

#### **Deposits:**

The mail is picked up by either the Student Assistants, the Administrative Assistant, or the Associate Director. The Associate Director opens the mail that contains bills, checks, and other financial statements. The Associate Director then scans the documents and sends those scans to the pertinent staff (Bookkeeper, Administrative Assistant, Director of Development, Executive Director, etc.) The Associate Director then prepares a deposit with checks received that day and sends a scan of the deposit slip to the Bookkeeper. The Associate Director then makes the deposit at the bank. In addition to receiving checks, income is also received via a variety of other services, including PayPal, Affinipay, Authorize.net, or credit card charges for donations, book sales, and event registrations.

- Cash – The POGIL Project does not normally receive cash.
- Copies of checks deposited are kept as support for the deposit, along with any correspondence received with the check.
- Bank deposits are made by the Associate Director. When this is not possible, the Bookkeeper may make deposits.
- For income received credit cards - all credit card information is shredded or eliminated after the card is processed when applicable (for online services, only the last four digits of credit cards are included on documents.) Monies from these transactions are deposited into POGIL checking within two days of the transaction being made. Transactions are posted as deposits are processed.

- All monies accumulated in the Paypal or AffiniPay accounts are withdrawn and deposited into the checking account and recorded in the books each week. Detailed reports are maintained for support of the deposit.
- If a donor has restricted the usage of the contribution to a particular program, the amount is recorded as temporarily restricted. All allowable expenses incurred in connection with grants and programs must be tracked separately and reviewed quarterly.
- Because The POGIL Project is on the accrual basis, if the donor has agreed in writing to give a multi-year contribution, the full amount is booked as income in the year the decision to make the pledge is made.

#### **Check Writing & Credit Card Usage:**

Corporate credit cards are held by the Executive Director, the Associate Director, and the Administrative Assistant.

#### **Payment of bills and check writing guidelines:**

- The POGIL Project uses only pre-numbered checks.
- When possible, The Project uses accounting software to print checks.
- All unused checks are kept in a locked cabinet.
- Checks are written as payment for invoices.
- Invoices are approved and coded for payment by the Associate Director prior to payment by the Bookkeeper.
- Expenses are tracked by category and function (program, general and administrative, fundraising, etc.). The coding is done by the Bookkeeper in consultation with the Controller if necessary.
- Physical checks signers are limited to the Associate Director and the Executive Director.
- The Bookkeeper pays most invoices online.
- Use of the credit card for items such as travel, office supplies, materials for meetings, etc. must be approved by the Associate Director or the Executive Director.
- Credit Cards are kept locked in a drawer if left at the office.
- All credit card receipts are given to the bookkeeper no more than 30 days after the charge is incurred. All receipts are approved and coded by the Associate Director.
- The Bookkeeper reviews the credit card statement for accurate charges and reconciles for payment.
- Any charges not supported by a credit card receipt are investigated.

Financial documents related to payroll and events are kept for three years and seven years, respectively. Credit card receipts are retained until statements are reconciled. Bookkeeper shall retain receipts for assets that are depreciated (such as computers) for the life of the asset.

**Payroll:**

The payroll is processed bi-weekly by the Bookkeeper who ensures that the software used for payroll (Quickbooks Online) correctly direct deposits, prepares the quarterly and annual tax filings and remits the payroll taxes due. The Bookkeeper and the Controller are responsible for keeping current with changes to the tax laws.

All employees are salaried or under contract. The Executive Director, in conjunction with the Board of Directors, establishes pay increases each December, as well as The POGIL Project's contributions to staff retirement SEP IRAs. The Associate Director then communicates those amounts to staff in yearly salary letters signed by the Executive Director.

- The payroll reports are reviewed thoroughly by the Controller for accuracy.
- Withdrawals from employee's paychecks are approved in writing by the employees. The following are common withdrawals that require signed forms:
  - W-4 – Federal Income Tax Withholding
  - LST and Local Income Tax Withholding
  - Health Insurance contributions
- Sufficient cash is kept in the bank account for automatic withdrawal sufficient for the net salary, all taxes due, etc.
- Payroll transactions are automatically logged via a journal entry into Quickbooks Online
- Timesheets are used to support the allocation of the salaries to the various grants administered by The POGIL Project. All timesheets are saved for the duration of grants by the grant's project manager in a dedicated physical location (notebook) delineated for each grant.
- All records (payroll and otherwise) showing Social Security Numbers and salaries are kept in a locked cabinet at all times.

**Employee Compensation:**

All hires will be eligible for a SEP IRA contribution from The Project beginning three months after their first day of employment. If a hire works at more than 75% time, they are eligible for health insurance after 90 days. Employees may opt out of both SEP IRA and health insurance. Yearly performance reviews will be conducted in early December, and yearly salary letters will be issued by the end of the calendar year. Annual salary and SEP IRA contribution recommendations (on the part of The POGIL Project) will be brought to the POGIL Board of Directors for approval and these amounts will be communicated in annual salary letters.

**Contracts and Purchases:**

The POGIL Project uses sound business practices when procuring goods and services. It does this by:

- Soliciting price quotes from multiple vendors when appropriate and selecting the most cost-effective options. However, a higher priced option may be selected in circumstances where the higher bid demonstrates the best value to the organization. In such cases, the Executive Director approves the final purchase of the good or service.

- Depending on the service or product involved, the Associate Director and/or the Executive Director has final sign off on the purchase.
- The Associate Director is the final signatory on all contracts related to workshop venues, such as Facilitator contracts, Guest Speaker MOUs, and MOUs between The POGIL Project and schools/districts seeking a workshop event.
- The Executive Director is the final signatory on all grant MOUs.

#### **Receipt of Goods:**

All goods purchased by The POGIL Project are delivered directly to the National Office. It is the responsibility of either the Administrative Assistant or the Associate Director to sign for delivery, open the boxes and retain packing slips. Goods are reviewed for NSF/Grant-based or non-based grant procurement. Related receipts and packing slips will be retained by the grant project manager in a grant-specific notebook.

#### **Exemption from Sales Tax:**

The POGIL Project is exempt from state and federal tax. As such, the organization is exempt from sales taxes on goods purchased for its own internal use and other services. It is the responsibility of the Bookkeeper to ensure that all vendors have a copy of the sales tax exemption letter allowing the organization to be exempt from these sales taxes.

#### **Reimbursable Expenses:**

In situations where a purchase is required in short order, staff may make the purchase with their own funds and apply for reimbursement. Reimbursable expenses require prior approval by the Associate Director or Executive Director whenever practical.

#### *Travel*

In the case of travel expenses by staff, a travel reimbursement form is completed and sent to the Associate Director for approval. Travel expenses include:

- Mileage at standard rate established yearly by the IRS up to \$300
- Tolls
- Train fare or Car (UBER or cab) fare
- Parking
- Meals (not alcohol)
- Airfare and baggage fees \*
- Car rental \*
- Hotel (room fees only, parking expense, no incidentals) \*

\*pre-approval by Associate Director or Executive Director required

A reimbursement form is available on the organization website or by contacting one of the Event Coordinators.

Travel arrangements are paid for using one of The POGIL Project credit cards whenever possible. In situations where expenses are incurred during the course of business travel, staff members

may submit an expense reimbursement request to both the Associate Director and the Bookkeeper for approval. These requests must be accompanied by receipts and all requests should be made within 30 days of expense.

The POGIL Project does not reimburse for expenses attributable to spouses/partners/children, or any other travel companions, unless that companion is also conducting business on behalf of The POGIL Project and that travel is approved in advance by either the Associate Director or the Executive Director.

For grant-related or other fund-restricted travel expenses, expenses are reviewed for their applicability to that grant/restricted fund by the project manager.

**Subcontractor Travel Expenses:**

All expenses incurred by facilitators at contracted workshops are subject to the same rules as described above. A travel reimbursement form should be submitted to the appropriate Event Coordinator, who then gets authorization for payment from the Associate Director if expenses exceed usual and customary limits. If expenses are within event parameters, the Event Coordinator and Bookkeeper signs off on the reimbursement form.

**Stipends:**

Stipends are paid to various subcontractors with The POGIL Project. These stipends are contractually based and yearly memorandums of understanding or contracts are created for events where stipends are paid. The schedule of stipends is reviewed on an annual basis by the Associate Director and the Executive Director. (see Schedule A below)

**NSF Grants**

- Project manager on NSF grants will submit any grant-related receipts, travel reimbursements, invoices, and a summary of total hours on a grant to Bookkeeper by no later than one month after the end of a quarter.
- Bookkeeper prepares a draft spreadsheet of the NSF reimbursement request and sends it to Project Manager.
- Project Manager reviews spreadsheet with PI at the next weekly grant meeting.
- PI and Project Manager meet with Controller (usually within 2 weeks of receiving Bookkeeper's draft) to review expenses, and to ensure they are within the correct categories of the budget. Changes (if any) are given to the Bookkeeper and the spreadsheet is submitted to the NSF.
- Reimbursement requests to the NSF are submitted quarterly. All expenses will be submitted in the quarter in which the expense was incurred. Travel-related expenses are submitted in the quarter in which the event/travel actually occurs.

**General Ledger:**

The general ledger documents all of the organization's transactions over the course of a year for all of the accounts. The transactions are accumulated over the year and the totals maintained. The account balances are the basis for all reporting activity. Account balances are sorted to

generate all financial statements produced throughout the year. Access to the general ledger is typically limited to the Executive Director, Associate Director, Controller, and Bookkeeper. Most transactions are posted automatically through receipts and payables modules. All modifications to the accounts are made by posting a journal entry. This procedure ensures an audit trail is maintained and all activity is recorded and monitored.

All accounts in the general ledger are analyzed and or reconciled each quarter to ensure the accuracy of the balances. The review of the Accounts Receivable/Accounts Payable Agings, as well as review of the restricted funds is reviewed by the Controller and the Executive Director on a quarterly basis.

### Review of this Document

Review of this document is conducted at the end of each fiscal year and posted on The POGIL Project website

### Schedule A

EVENT	INDIVIDUAL STIPEND
1-Day Workshop (virtual)	\$300
1-Day Workshop (in-person)	\$350
1-Day Workshop Tech (virtual)	\$75
3-Day Coordinating Facilitator (in-person)	\$600
3-Day Co-Facilitator (in-person)	\$500
3-Day Graduate Credit Coordinator	\$50
Writer's Retreat (in-person)	\$1,100
Writers' Retreat (virtual)	\$1,100
Writers' Retreat (Tech (virtual)	\$150
Facilitation Track (virtual)	\$600
Activity Writing Track (virtual)	\$600
Facilitation Track Tech (virtual)	\$150
Activity Writing Track Tech (virtual)	\$150
Facilitators in Training (virtual / in-person)	\$0
Eseries Facilitator	\$75 each for co / \$150 if solo
Endorsement process (endorsement team member)	\$300
Endorsement process (content reviewer)	\$500
PAC Executive Team member (8)	\$250
PAC Co-editor (2)	\$500