



LIVE THE LIFE
— STRENGTHENING MARRIAGES AND FAMILIES —

ACCOUNTING POLICIES AND PROCEDURES MANUAL

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Live the Life Ministries, Inc.
ACCOUNTING POLICIES AND PROCEDURES MANUAL

TABLE OF CONTENTS

1.00	ORGANIZATION.....	3
2.00	GENERAL BANKING.....	5
3.00	CREDIT CARDS.....	6
4.00	CASH RECEIPTS PROCESS.....	8
5.00	DONAIONS RECEIVED	9
6.00	CASH DISBURSEMENTS AND ACCOUNTS PAYABLE	10
7.00	PROCUREMENT.....	12
8.00	BUDGET	13
9.00	GOVERNMENT FILINGS.....	14
10.00	FINANICAL STATEMENT AUDIT AND TAXES.....	15
11.00	LINE OF CREDIT	16
12.00	CHART OF ACCOUNTS.....	17
13.00	INTERNAL FINANICAL REPORTING.....	18
14.00	ATTACHMENTS	
	Programs	20
	Accounting System and Description.....	21
	Purpose and General Statements.....	22
	General Approach and Additional Information	23
	Allowable Direct Costs and Allocated Direct Costs	24
	Allocated Indirect Costs.....	25

Live the Life Ministries, Inc.
ACCOUNTING POLICIES AND PROCEDURES MANUAL

I. Introduction

Live the Life Ministries, Inc. (“Live the Life”) is a private, non-profit 501(c)(3) corporation with a headquarters in Tallahassee, Florida. Live the Life strengthens marriages and families to reduce the Florida divorce rate by 50% by 2029, increase the marriage rate, and reduce teen pregnancy and out of wedlock births.

The purpose of Live the Life’s accounting policies and procedures manual is to meet the requirements of federal, state, and local laws and regulations, and to provide timely and accurate information for management decisions. Live the Life follows Generally Accepted Accounting Principles (GAAP) for nonprofit organizations.

II. Organizational Structure

The Role of the Board of Directors

1. The corporation is governed by a Board of Directors, all of whom are volunteers. The Board of Directors perform any and all duties assigned to them collectively or individually by statute, by the Articles of Incorporation and the Bylaws. The Board annually approve the corporation budget and enter into contracts or agreements with other organizations and agencies as may be deemed necessary to carry out the functions and purposes of the organization.
2. The Board of Directors also designate by resolution such officer or officers of the Board or its representatives to sign and countersign all checks, drafts, bills of exchange, notes or other obligations or orders for the payment of money.

3. **Chairman of the Board:** The Chairperson shall preside over the meetings of Live the Life. The Chairperson shall also preside over the Board of Directors and the Executive Committee meetings. The Chairperson or designee shall serve as the legal signatory for the organization.
4. **Board Members:** Board Members have the responsibility of overseeing and approving the overall financial management of the corporation. The Board of Directors should review and approve the overall annual budget and monthly financial reports, and oversee and approve policies regarding staff salaries and benefits.

The Role of the President and Staff

1. The Board of Directors employs a **President** to manage the corporation and authorizes that person to employ other such staff for positions that have been authorized by the Board of Directors to realize the objectives and purposes of the corporation.
2. The **President** carries out the purposes of the Corporation within the framework of the Articles of Incorporation, the Bylaws, the established Policies and Procedures of the Corporation and the general and specific assignments given to him/her by the Board.
3. The **President** is authorized to make and execute contracts in the ordinary course of business of the corporation as authorized by the Board, to execute other legal instruments authorized by the Board, except as otherwise expressly provided by law, by the Article of Incorporation, or Bylaws. Furthermore, supervises staff in accordance with the organization's personnel Employee Handbook and is responsible for the enforcement of the financial management policies and internal control procedures as described in the organization's Employee Handbook.
4. Responsibility for implementation and compliance with the corporation's financial procedures is shared by the Board of Directors and President.

POLICY TITLE: General Banking	POLICY NUMBER: F-GEN
DEPARTMENT: Finance	EFFECTIVE DATE: 10/1/2020

Policy: Live the Life should maintain bank accounts as approved by the Board of Directors.

Authorization is required by the Board of Directors of Live the Life for opening and maintaining any bank account. Such authorization should be documented in the appropriate minutes of the Board of Directors.

Live the Life should maintain interest and none interest bearing accounts as required by contract or sound business practice. Live the Life should adhere to Generally Accepted Accounting Principles and all specific federal and state agency regulations as they relate to Live the Life operations.

Procedure:

1. An electronic bank statement is available online. The President has access to download a digital copy with their secured login.
2. Any bank reconciliation difference should be brought to the attention of the President.

POLICY TITLE: Credit Cards	POLICY NUMBER: F-CRED
DEPARTMENT: Finance	EFFECTIVE DATE: 10/1/2020

Policy: Live the Life may maintain credit cards and overall credit limits as approved by the President and are assigned to staff for business expenses.

The President authorize corporate credit cards to appropriate staff members who may need to use such cards for Live the Life business, travel expenses and/or other uses as authorized by the President. Non-business charges to the corporate card are not allowed and such unauthorized use should be subject to disciplinary action and loss of credit card privileges.

Procedure:

1. The President should coordinate with the Regional Director, for the card to be issued to the employee.
2. The Cardholder presents the card, only for goods and services deemed to be company expenses. Use of the Credit Card for personal purchases is subject to disciplinary action and loss of card privileges.
3. When making purchases the Cardholder should make sure to take advantage of discounts, notify the vendor of company's tax-exempt status and obtain a receipt of purchase for proper documentation.
4. The Cardholder should designate the fund code and general ledger account to charge for the transaction.
5. Receipts for documentation of the transactions should be scanned and uploaded to the individual Cardholder's online credit card expense report folder.
6. All original receipts should be maintained by the Cardholder.
7. The President approves and makes the monthly credit card payment for monthly credit card purchases after the close of the billing cycle.
8. The President's designated bookkeeping agency reconciles the credit card statements and the credit card transactions.
9. The President's designated staff should process credit card transactions in the QuickBooks accounting system for all fund codes and general ledger chart of account codes.

Additional Controls:

Responsibilities of Cardholder:

- Securing the credit card and the card number.
- Making purchases for company related business only and ensuring purchases are following Live the Life policies and each Cardholder's credit limits.
- **Using Live the Life's tax-exempt status** and taking advantage of discounts for purchases.
- Collecting and maintaining original receipts as documentation for all transactions.
- Making sure the receipt provides information on the date of purchase and description of item(s) purchased.
- Designating the fund code, general ledger chart of account code and providing a description.
- Upload receipts and reconcile receipts to statement within seven business days of the subsequent month.
- Identifying and addressing unauthorized or disputed charges (see below).

- Immediate notification to the credit card company in case of lost or stolen card. Cardholder should also immediately notify Live the Life's President, Regional Director or the President's designated staff.
- Cardholder may not accept a cash refund.
- 1. In the event of gift card purchases, justification should be noted to include the name of the gift card, card value, date of purchase, and reason for purchase.
- Upon resignation or termination, the card should be returned to the President or Regional Director.

Unauthorized Transactions, Unresolved Disputes, Billing Errors:

- The Cardholder should immediately notify the credit company of any unauthorized transactions. The Cardholder's Regional Director and President should be notified as well.
- The Cardholder should contact the vendor to resolve any disputed charges or billing errors.
- If the matter is not resolved with the vendor, the Cardholder should file a disputed claim with the credit card company.
- If the dispute is resolved in the Cardholder's favor a credit in the amount of the disputed transaction should appear on a subsequent Cardholder statement.

POLICY TITLE: Cash Receipt Process	POLICY NUMBER: F-CR
DEPARTMENT: Finance	EFFECTIVE DATE: 10/1/2020

Policy: The Company receives funds from a variety of sources including – private donations, grant awards, military contracts, as well as other sources.

Income for all programs should be recorded on an accrual basis. Accruals may not always represent the actual billing for a particular month due to delayed submission.

Procedure:

Receipts by Mail:

1. All mail is received, opened and should be date stamped each business day by the President’s designated staff.
2. The President’s designated staff should make a copy of each check and record checks in QuickBooks.
3. A QuickBooks deposit summary should match the amount counter deposited in the bank.
4. A bank deposit confirmation should be on file.
5. The President’s designated staff should record all deposit information into QuickBooks.
6. The person processing bank deposits should not be the same person depositing checks and cash or its equivalent into the banking institution.

Receipts by Electronic Transfer/ACH

1. The President receives support for Electronic Transfer/ACH.
2. The President emails the Electronic Transfer/ACH support to a designated staff person to record the amount received into QuickBooks.
3. Bank activity is reviewed by the President and the designated bookkeeping agency.

POLICY TITLE: Donations Received	POLICY NUMBER: F-DON
DEPARTMENT: Finance	EFFECTIVE DATE: 10/1/2020

Policy: Live the Life receives donations of cash, check, and in-kind.

The receipt of donations through the website is managed and recorded by staff designated by the President. Donations are recorded in a donor management database and the accounting system. When donations are received an acknowledgement letter and giving statement is provided.

Procedure:

For donations received cash or check:

1. The President's designated staff should follow the normal process for receipt of cash or checks as outlined previously at F-CR.
2. The President's designated staff should then give the designated member of the Accounting Team a copy of the check and related documentation.
3. When the President's designated staff receives a check and related donation documentation, an acknowledgement letter or giving statement is sent electronically or mailed.
4. All donations received should be recorded as revenue upon receipt.
5. Cash or check donations should be recognized in the period cash or checks are received.

POLICY TITLE: Cash Disbursements/Accounts Payable	POLICY NUMBER: F-AP
DEPARTMENT: Finance	EFFECTIVE DATE: 10/1/2020

Policy: All accounts payable and all disbursements at Live the Life that are made by check or Electronic Transfer/ACH. All checks on Live the Life bank accounts are pre-numbered and are monitored to ensure that no sequential number is missing. Voided or spoiled checks are marked as such and are retained. Unissued blank checks are safeguarded in a locked cabinet.

The President and a designated Regional Director are the only persons authorized to sign checks. All Live the Life checks require one signature from the above authorized signers. Live the Life checks are only drawn to the order of specific payees and not to "Cash" or "Bearer." No finance/accounting personnel are authorized to sign checks.

Procedure:

1. Vendors should send all invoices for regional office locations to the main accounting office for payment processing.
2. All disbursements require proper written documentation and authorization from the President and/or Regional Director prior to a check being disbursed.
3. The President or his designated staff or bookkeeping agency approves the coded disbursement support.
4. Invoices are approved by the President.
5. The President or his designated staff prints checks and coordinates with an authorized check signer for a signature to be obtained prior to checks being disbursed.
6. After checks are approved and issued as noted above, invoices are scanned into a digital document retention folder or maintained in a file cabinet.
7. All checks should be disbursed to the payees as described in the initial check request or invoice.
8. Signed checks are processed for mailing by the President's designated staff.
9. Check payment stubs are retained with the invoice or check request.
10. All purchases of goods and services should be recorded in the accounting systems in the appropriate accounting period and properly classified.
11. The President is responsible for the day to day operations of the accounting function.
12. The accounting principles and methods utilized by Live the Life in developing its financial statements should be based on Generally Accepted Accounting Principles (GAAP) and using an accrual basis of accounting.
13. For invoices and credit card transactions that are prepaid (paid prior to the expense occurring), the information should be entered into the Prepaid Schedule annually.

ACH:

1. If electronic payment, The President's designated staff adds the ACH information to the accounting software under the specific vendor's name.
2. A completed ACH form is obtained from the vendor and received by Live the Life and discrepancies are verified via a phone call or email.

Gift Cards:

2. All gift cards purchased should be treated the same as cash with the exception being deposited into the bank.
3. All Gift Card purchases should be logged on a Gift Card Log and include the name of the gift card, card value, date of purchase, and reason for purchase.
4. When Gift Cards are disbursed, the Gift Card Log should be updated with the recipient's full name, disbursement date, and reason for disbursement.

POLICY TITLE: Procurement	POLICY NUMBER: F-PROC
DEPARTMENT: Finance	EFFECTIVE DATE: 10/1/2020

Policy: Procurement should comply with the procurement standards established by competitive bidding processes required by any contract or program under which Live the Life is bound.

Procedure:

1. The President, Regional Director or designated staff should approve invoices and check requests.
2. The President, Regional Director or designated staff assigns expense account coding to invoices and check requests.
3. The President assigns the method of payment.
4. Accounting maintains a copy of invoices or check requests with a check stub.
5. Staff designated by the President or Regional Director receive orders purchased and should verify that items received corresponds with invoices and purchase confirmations. All discrepancies should be resolved with the vendor upon receipt of ordered items.
6. Competitive bidding processes required by any contract or program under which Live the Life is bound should be followed per requirements of that contract or program.
7. Consulting services should be approved by the President.
8. All independent contractors, including consultants, should complete an IRS Form W-9.
9. Retention of records should be sufficient to detail the history of procurement in compliance with IRS, grant, and contract guidelines.

POLICY TITLE: Budget	POLICY NUMBER: F-BUDG
DEPARTMENT: Finance	EFFECTIVE DATE: 10/1/2020

Policy: Live the Life prepares and adopts an annual budget before the beginning of the fiscal year. The budget is revised only if approved by the Board of Directors.

Procedure:

1. The President develops an annual operating budget with input from all functional areas within the organization.
2. The President presents the proposed budget to the Board of Directors for review and approval by the Board of Directors.
3. Once approved by the Board of Directors, the President presents the proposed budget to Live the Life Regional Directors.
4. Budget revisions that exceed the allowable amount stated should be presented to the Board of Directors for approval.
5. Budgets for all program related line items is prepared by the President.

POLICY TITLE: Government Filings	POLICY NUMBER: F-GOVT
DEPARTMENT: Finance	EFFECTIVE DATE: 10/1/2020

Policy: The President is responsible for government filings being made on time.

Procedure:

1. The President or his designated staff, independent auditor, bookkeeping agency, or payroll service is assigned the responsibility for government filings, depending on the required filing.
2. Governmental filings include, but are not limited to, the following:
 - a. RT 6 – State of Florida Department of Labor and Employment Security, Division of Unemployment Compensation
 - b. W-2s for payroll with W-3 transmittal form
 - c. 990 Federal Tax Forms (IRS)
 - d. Form 2758 used to file for Extension of 990
 - e. 1096 used to file 1099 (for applicable vendors over \$600)
 - f. Employer’s Quarterly Federal 941
 - g. Employer’s Annual Federal Unemployment (FUTA) 941
 - h. Florida Agriculture and Consumer Charitable Solicitation
 - i. Annual Florida Not For Profit Corporation renewal

POLICY TITLE: Financial Statement Audit and Taxes	POLICY NUMBER: F-AUD
DEPARTMENT: Finance	EFFECTIVE DATE: 10/1/2020

Policy: Live the Life should contract an independent auditor to perform the single audit of agency records for each fiscal year as required by law, grants, and contracts.

As required by the IRS, Live the Life should complete and file form 990, Return of Organization Exempt Form Income Tax annually. The Company should comply with all federal and state tax reporting requirements.

Procedure:

1. The audit should be conducted by an independent CPA firm certified in the State of Florida in compliance with all federal and state requirements for nonprofit organizations.
2. The 990 should be completed by an independent CPA firm or bookkeeping agency in compliance with all federal and state tax reporting requirements.
3. Independent CPA firms or bookkeeping agency should be selected by the President in partnership with the Board of Directors.
4. The audit should be conducted on a timely basis annually with a complete report, if necessary, including a Management Letter.
5. The audit shall relate to the guidelines and regulations of major funding sources as well as Generally Accepted Accounting Principles.
6. Live the Life staff should make available financial records during the course of the fiscal year to permit preliminary work.
7. It shall be the responsibility of the Board of Directors to review the audit report and provide direction to the President.
8. A copy of the final audit report should be sent to each funder per contract requirements.

POLICY TITLE: Line of Credit	POLICY NUMBER: F-LINE
DEPARTMENT: Finance	EFFECTIVE DATE: 10/1/2020

Policy: Live the Life may establish and maintain a line of credit as approved by the President in partnership with the Board of Directors.

The President is the only person authorized to draw down the line of credit.

Procedure:

1. The President in partnership with the Board of Directors should approve the line of credit draw down.
2. Documentation of approval to line of credit draw down requests should be kept on file for the federal and state retention period required for financial documentation.
3. The amount drawn down should be recorded as a liability in the books.

POLICY TITLE: Chart of Accounts	POLICY NUMBER: F-CHAR
DEPARTMENT: Finance	EFFECTIVE DATE: 10/1/2020

Policy: Live the Life ensures proper recording and classification of transactions by properly maintaining the General Ledger Chart of Accounts.

Procedures:

1. Live the Life maintains a Chart of Accounts showing:
 - a. Revenue
 - b. Expenses
 - c. Assets
 - d. Liabilities
 - e. Equity Accounts
2. Program budgets should be prepared in accordance with the chart of accounts.
3. All entries into Live the Life's General Ledger Chart of Accounts should be supported by appropriate documentation.
4. Original supporting documents should be maintained in a secured digital folder or file cabinet.

POLICY TITLE: Financial Reporting	POLICY NUMBER: F-INFR
DEPARTMENT: Finance	EFFECTIVE DATE: 10/1/2020

Policy: Live the Life should prepare monthly financial statements presented to the Board of Directors by the President. The President has responsibility for all financial statements and reporting.

Procedures:

1. Financial statements should be prepared monthly.
 - a. Statements include but are not limited to:
 - i. Statement of Financial Position (Balance Sheet)
 - ii. Statement of Activities (Profit and Loss/P&L)
 - b. Statements should be consolidated from all active QuickBooks companies
2. Each Statement of Financial Position (Balance Sheet) should be reconciled to the Chart of Accounts for the General Ledger.
3. Any Chart of Accounts variance should be reviewed, noted, and corrected as needed in the period or subsequent period.
4. Balances and support should be reviewed and approved by the President or his designated staff.
5. The President and the Board of Directors should review and approve financial statements monthly.

Live the Life Ministries, Inc.
ACCOUNTING POLICIES AND PROCEDURES MANUAL

Attachments

Live the Life Program Offerings	20
Accounting System Description	21
Purpose and General Statements.....	22
General Approach and Additional Information	23
Allowable Direct Costs and Allocated Direct Costs.....	24
Allocated Indirect Costs.....	25

Live the Life Programs

Live the Life Ministries, Inc. (“Live the Life”) is a non-profit organization, qualifying under Code Section 501(C)(3). The headquarters is located at 2252 Killearn Center Blvd, Ste 100, Tallahassee, FL 32309. Live the Life’s mission is to strengthen marriages and families. The following programs are offered by the organization:

Program 1: True North Project (TNP)

The True North Project is a Teen Pregnancy Prevention (TPP) Sexual Risk Avoidance (SRA) program. The Goal of the True North Teen Pregnancy Prevention Project (TNTPP) is to provide medically accurate and age-appropriate programs focused on preventing teen pregnancy, reducing disparities, and replicating evidence-based programs (EBPs) to scale in Florida communities and populations with the greatest need. In order to achieve maximum impact driving down teen pregnancy rates and teen births, the TNTPP will continue using a community-driven, multi-sector approach. The TNP helps prepare students ages 10-19 for the following better life outcomes: Realign marriage and parenthood and put them back in the proper order by promoting the "success sequence" which is 1) get educated 2) get a job 3) get married 4) then have children.

Program 2: Start Smart (SS)

Start Smart is a comprehensive premarital educational program with two educational options. Option One is Happily, Ever After Mentoring: This option allows couples to go through an in-depth, premarital inventory driven by current research that provides a unique profile of a couple’s relationship, measuring their strengths and growth areas in 13 critical categories needed for a successful marriage. Option Two offers a First Steps to Forever four-hour class that includes skills for communication and conflict resolution with a personality assessment to help couples understand perspectives in a group environment with other couples.

Program 3: Adventures in Marriage (AIM)

Adventures in Marriage is a highly interactive program that teaches couples the practical “hands on” skills essential to build a healthy, thriving marriage that can go the distance. AIM helps couples discover better ways to meet one another’s needs, communicate, resolve conflicts, express anger, avoid dirty fighting, and understand how their personality styles impact relationships for better or worse. Fun, practical, and easy to learn, Adventures in Marriage is appropriate for couples at any age or stage. AIM is designed to reach couples across the spectrum – it helps couples with good marriages discover how to have a great marriage, and it helps distressed marriages reboot and learn a much better way.

Program 4: Power of Us

Power of Us is the next step after AIM. If a couple has taken Adventures in Marriage they should love this next step that takes couples through even more communication skills and uses tools to help couples have the marriage of their dreams.

Program 5: Hope Weekend

Hope Weekend is an intensive weekend program that has saved 80% of troubled marriages since 2003. The program is designed to help couples rebuild intimacy and trust, and to teach couples essential relationship communication skills.

Additional Programs: Family Frontiers, Champions, and Date Night

Accounting System and Description

Live the Life follows standards of accounting and financial reporting prescribed for non-profit organizations and GAAP (Generally Accepted Accounting Principles). The Organization follows the accrual basis of accounting, which recognizes revenue when earned and expenses are incurred. Federal, State, and local government and public grants are recorded as support when performance occurs under the terms of the agreement.

Allowable costs for Live the Life should comply with the OMB Uniform Guidance and should be supported by documentation.

Live the Life utilizes the accounting system QuickBooks to capture and report revenue and expenses and other financial activity. The Chart of Accounts is designed to allow for proper input of information and financial reporting. QuickBooks includes modules for Accounts Payable, Contract, Accounts Receivable, and Budgeting. Payroll is processed through an independent payroll service.

Purpose and General Statements

The purpose of Live the Life's cost allocation plan is to summarize, in writing, the methods and procedures that this organization uses to allocate costs to various programs, grants, contracts, and agreements. The OMB Uniform Guidance establishes the principles for determining costs of grants, contracts and other agreements with the Federal Government.

Costs are separated into two basic categories:

1. General administration and general expenses and other direct functions (including projects performed under Federal awards).
2. Joint costs, such as depreciation, maintenance of facilities, telephone expenses, and the like are prorated individually as direct costs to each category and to each award or other activity using a base most appropriate to the particular cost being prorated (i.e., FTE or Square Foot).

Only costs that are allowable, in accordance with the cost principles, are allocated to benefiting programs.

General Approach and Additional Information

The general approach of Live the Life in allocating costs to particular grants and contracts is as follows:

- A. All allowable direct costs should be charged directly to program, grants, activities, or contracts.
- B. Allowable direct costs that can be identified to more than one program or cost pool should be prorated individually as direct costs using a base most appropriate to the particular cost being prorated.
- C. All other allowable general and administrative costs (costs that benefit all programs and cannot be identified to a specific program) should be allocated to programs, grants, contracts using a base that results in an equitable distribution.

The Cost Allocation Plan should be developed in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (also known as the “Uniform Guidance”).

The allocation methodologies contained in this Cost Allocation Plan have been developed on the basis of a beneficial or causal relationship between the expenses incurred and the receiving organizational units or programs.

Costs related to each activity should be based on the current reporting month.

An adequate accounting and statistical system exist to support claims that should be made under the Cost Allocation Plan.

Costs that have been treated as indirect costs should not be claimed as direct costs. Similar types of cost have been accounted for on a consistent basis.

Allowable Direct Costs and Allocated Direct Costs

Allowable Direct Costs should be costs that are identifiable to a particular cost objective, i.e. a specific contract code/funding source. Allowable direct costs are coded to the contract/funding source based on the actual expense.

Allocated Direct Costs include expenses that are directly allocated to more than one contract code/funding source and should be allocated to each contract code utilizing the following allocation methods:

Salaries – This cost, when not directly identifiable to a specific contract, should be allocated based on FTE which mirrors actual effort.

Stipends, Fringe Benefits, Employee Leave, Employee Screening – These costs, when not directly identifiable to a specific contract, should be allocated based on FTE used to allocate salaries as noted above.

Office Rent - This cost, when not directly identifiable to a specific contract, should be allocated to all programs/contracts based on FTE.

Telephone, Internet, Supplies, Printing/Copying, Insurance, Repairs & Maintenance, and Dues & Subscriptions – These costs, when not directly identifiable to a specific contract, should be allocated to all programs/contracts utilizing an FTE allocation.

Postage, Printing/Copying, and Leased Equipment – These costs, when not directly identifiable to a specific contract, should be allocated to programs/contracts based on actual utilization determined by usage reports.

Travel and Staff Development/Training – These costs, when not directly identifiable to a specific contract, should be allocated to programs/contracts based on actual utilization as determined by travel expense reports.

Depreciation – The cost of depreciable assets should be charged to the programs as a direct cost, either allowable or allocated, in line with the above methods. These charges should be coded initially as supplies, then reclassified as fixed assets at the time of the annual audit. Depreciation should not be allocated but is charged to a general fund not associated with any particular program.

Allocated Indirect Costs

Indirect costs are defined in the Uniform Guidance. Costs included in this include general administrative and general expenses such as those for executive officers and human resources.

Reporting Unit	Allocation Method
Executive Office	Total Expenses
Human Resources & Quality/Risk Management	Total Expenses
Accounting	Total Expenses

Executive Office – Provides executive leadership, program oversight, program development, and policy direction. The costs of this department should be allocated to programs based on the percentage of its expenses to total program expenses.

Human Resources & Quality Assurance / Risk Management – Provides oversight and management for personnel policies and practices within the organization including hiring, background screening, employee orientation, employee benefits, staff development, compensation, personnel actions, terminations, and compliance with labor laws. Creates management policies and procedures, reviews incident reports, files insurance claims, identifies and prevents risk, and provides risk management education to staff, processes payroll using an independent payroll service. The costs of this department should be allocated to programs based on the percentage of its expenses to total program expenses.

Accounting – Responsible for all accounting activities including accounts payable, accounts receivable, income and expense recording and internal financial reporting. Prepares expense reports to funders based on their reporting requirements. Analyzes program statements to account for over and under budget items. The costs of this department should be allocated to programs based on the percentage of its expenses to total program expenses.