



**Tax ID#:20-0042087 WasteWater Education Inc.
COMBINED MANUAL OF POLICIES**

WasteWater Education Inc.:

POLICY 1. INTERNAL FINANCIAL CONTROLS POLICY 18/02/14[amended 04/19/17]

THE BOARD is responsible for establishing and maintaining a system of internal controls over the accounting procedures as well as over all assets belonging to WASTEWATER EDUCATION Inc.

Internal controls are policies and procedures designed to provide reasonable assurance that assets are safeguarded against unauthorized use and disposition.

THE BOARD shall receive monthly reports from all persons responsible for monitoring, expending or accounting for disbursements.

The following matters are minimum internal controls.

RECEIPTS

Numerically controlled (printer pre numbered) three part official receipts with the name of the Vendor or Client printed on the receipt must be issued for all revenues.

Copy #1: Is given to the payer.

Copy #2: Is retained by the Board Treasurer

Copy #3: Is filed with a copy of the check and work order/invoice for audit.

"Cash" or "check with #:" as the method of payment must be indicated on the receipt.

The receipt must identify the individual receiving payment.

The receipt must allow for immediate revenue account classification in conformance with the Uniform Chart of Accounts, and Generally Accepted Accounting Procedures.

Checks must be restrictively endorsed at the point and time of collection. (i.e. "For Deposit Only to Account #:)

When possible, someone other than the person who writes receipts or posts the accounting records must be responsible to verify that collections received in the mail are properly receipted.

When possible, collections must be reconciled by an individual not involved in the receipt process.

BANK ACCOUNTS AND DEPOSITS [amended 04/19/17]

All deposits are to be made intact. Intact means that the deposit must include the checks and cash received for a specific numerical sequenced receipt group.

~~Deposits must be made timely and reconciled to official receipts. The Treasurer shall receive the bank statements but must retain only a copy—the original being kept by the Chair until audit. In the event of electronic archiving, no Board Member or Employee shall have the ability to alter an electronic Bank Statement.~~

Deposits must be made timely and reconciled to official receipts.
The Board shall receive the monthly bank statements in electronic format.
All Bank statements will be archived offline at two designated locations.
No Board Member or Employee shall have the ability to alter an electronic Bank Statement.
The Treasurer shall confirm the statement reconciliation at the time of inspection of the accounts payables and receivables.
In the event online accounting systems are in place, only the Treasurer and Executive Director shall have primary access to the organization books.
All transactions shall be reported as a General Ledger document quarterly to the Board.
The Executive Director is responsible for accounts transactions. The Board Treasurer is responsible for verification and oversight. In the event either believes a discrepancy has occurred this shall be reported to the Board Officers immediately.

Deposit tickets must list checks, by name or number and amount.
All bank accounts must be in the name of WASTEWATER EDUCATION Inc.

Use of the Tax Exempt ID number shall be strictly controlled by the Treasurer.

Creation of or amendments to any bank accounts shall be authorized only by the full Board.

Bank signature cards should be kept current and the authorized signers limited to the Chair and Treasurer; with the Vice Chair and Secretary authorized to sign in either of their absence.

DISBURSEMENTS

Master signatures are required for all checking accounts.
The signatures MUST be either the Chair or the Treasurer.
The Vice Chair, or Secretary is authorized to sign in either of their absence.

Appropriate documentation (supporting invoices) must be attached for all disbursements.

Original bills, not copies, must be used for documentation.

All disbursements must be approved by the Board prior to disbursement.
Also establishes here a formal policy to authorize payments prior to approval to avoid finance or late charges and to pay appropriated amounts and payroll (including related payroll taxes and withholdings).
This policy is limited and a list of payments made prior to approval must be presented to WASTEWATER EDUCATION Inc. at the next regularly scheduled Board meeting.

Bank accounts must be promptly (within the month following the bank statement date) reconciled by the Treasurer and verified by an individual not involved in the receipt/bank deposit process.
Adequate security must be provided over unused checks.

Drawing checks to "cash" or "bearer" is **prohibited**.

Checks must NOT be signed prior to being completely filled out.

Numerically controlled, pre-numbered checks must be used. The Memo line should contain a referencing Invoice/Work Order # and Line item Accounting reference #.

(i.e. Ref: XX: 00999 from 204.001)

The cashing of personal checks and IOUs is prohibited.

[Application for, and expenses on any and all Credit Cards shall be subject to a stand alone "Credit Card Policy"]

Debit cards shall not be permitted.

Any and all Grant or Proposal Submission shall be approved by Board Chair, (as an emergency measure only if the deadline is time sensitive). If said Application or Proposal requires a commitment of operating cash or 'in-kind' funds, it shall be reviewed by Board Executive Committee. Any commitment in excess of \$5,000 in cash shall be reviewed by the Board at a Regularly Scheduled Meeting prior to approval.

FISCAL YEAR

For the purposes of accounting the WasteWater Education Fiscal year shall run from July 1 - June 30 and shall keep a full accrual form of accounting for daily operations but may report on a cash basis for tax purposes.

INVESTMENTS

All securities shall be kept in a safe deposit vault in the name of WASTEWATER EDUCATION Inc..

The Treasurer shall keep a record of each security, including certificate numbers.

Securities shall be periodically inspected and reconciled with the records by a Board Member other than the Treasurer.

All purchases and sales of securities shall be authorized by the WASTEWATER EDUCATION Board.

Records shall be kept to ensure the proper and prompt receipt of income on securities owned.

An **investment policy** shall be adopted separately by the Board.

Additions to the Internal Control Policy: to comply with recent law changes.

(As amended April 27, 2010)

1. Protection of Social Security #'s.

It is the policy of this organization that only the following designated officials shall have access to any and all documents containing identifying Social Security Numbers: Board Chair (Vice Chair in the event of his/her absence), Board Treasurer and Executive Director. No item may be published or redistributed without removing or obliterating SSN's unless required to do so by governing law.

2. Protection of personal information for those paying by credit card.

3. In compliance with current law, this organization shall retain no identifying personal information relating to credit card payments on either its mainframe or removable drive computers to prevent access by unauthorized users, identity theft or fraud. All credit card transactions shall be contracted to a third party vendor.

4. **November 2017: To comply with new FASB requirement, see changes to, and renaming of Credit Card Policy #3 to Liquidity / Available Credit Policy**

POLICY 2. The WasteWater Education Board of Directors Code of Ethics for Directors Policy: (As adopted by motion of the Board on March 4, 2004. John Kelley. Chair) Approved as amended 2009 and 2014

Government of this not for profit organization is a trust, and the officers and Directors of this organization are trustees.

Directors in the capacity of trust upon them, shall observe ethical standards with absolute truth, integrity and honor.

Directors must distinguish clearly in their actions and statements between their personal philosophies and attitudes and those of the institution, acknowledging the formal position of the Board even if they personally disagree.

A Director must respect the confidential nature of WasteWater Education business while being aware and in compliance with applicable laws governing freedom of information.

Directors who accept WasteWater Education Board responsibilities are expected to perform all the functions of WasteWater Education Directors.

It is incumbent upon any Director to disqualify himself-herself immediately whenever *[an actual, or]* the appearance of, a conflict of interest exists. *[Directors may abstain from voting or should leave the room.]* Directors, because of their professional expertise, and in their capacity representing their employer or professional association, may be compensated for their expenses incurred while providing services to this organization upon approval from the Board *[at a set rate of \$100 per half day, \$200 per full day, subject to available funds]* and as recorded in the Minutes.

In any situation where a request for proposals, bids or quotations for services is sought, all Directors *[with a real or perceived conflict of interest]* shall be disqualified from participation; shall be required to disclose any relationship; and shall remove themselves from participation in any manner prior to a decision being rendered.

Approved this day 10/26/09 by Board Vote. Restated February 18, 2014

POLICY 3. WasteWater Education

Policy governing the creation and use of authorized credit cards - REVISIONS 2004; 2007, 2014

[Renamed 11/17 to Liquidity and Credit Availability Policy]

1. Purchase or elimination of a credit card may only be authorized by a vote of the Board at a regular meeting.

2. Only the *Executive Director* shall be authorized to use designated credit cards. All purchases requested for payment, in excess of \$500.00 by use of the card must be pre-authorized by either the Board Chair or Board Treasurer via email.

- Current Credit Accounts are
- Chase VISA
- Best Buy
- PayPal - this account is routinely used for processing incoming payments but is also used for secure payments when it is not advisable to use VISA
- PayPal has the following Credit availability - 30% of annual PayPal Sales see <https://www.paypal.com/us/webapps/mpp/merchant-working-capital> for current terms.

3. Upon a change in *Executive Director*, the *Treasurer* is required to instruct all ~~credit card company listed entities~~ to immediately invalidate ~~individuals~~ no longer permitted to use ~~accounts~~ the card or sign for purchases.

4. Uses:

- i) ~~the card~~ Credit services are is only to be used for normal business purposes
- ii) major items must pre-approved by the Board and cannot be purchased by check
- iii) items which require a card for reservation or guarantee of future payment by authorized ~~check drawn on the account~~

5. Accounting:

- (i) The 'due by date' shall be established to be 7 mailing days following the regular established Board meeting date.
- (ii) Board shall **may** approve the balance due plus all charges made on the account at that time.
- (iii) It is not normal practice to carry a balance on any credit card or incur any interest charges- **any variance shall be approved at a Regular Board Meeting and noted in the Minutes**
- (iv) Maximum allowable credit shall not exceed \$7,500 *without express Board approval, regardless of actual credit limit on the card.*

6. Liquidity and Credit Extension

Working capital and cash flows have seasonal variations during the year attributable to customary receipts and a concentration of income received mid Fiscal Year. To manage liquidity WasteWater Education maintains a line of credit of \$7,000 with PayPal Credit that may be drawn upon as needed during the year to manage cash flow and is then repaid in full by the end of the fiscal year.

Chase VISA has an available credit limit of \$6,500. Emergency Cash advances of \$1,300 are available at the currently posted interest rate.

It is not the policy of this organization to operate with a carried structural deficit and such liquidity credit extension may only be authorized by the Board in extraordinary circumstances.

POLICY 4. Sponsorship and Underwriting Policy - as adopted, November 17, 2005, 2014

It is the policy of to solicit and accept monetary and 'in-kind' contributions, sponsorship or underwriting.

- a) Such contributions may only be accepted or acknowledged in the following circumstances:
- b) Shall not be construed to denote or imply endorsement of any product, service or entity.
- c) Shall not unfairly compare one product, service or entity to another.
- d) If any offer of sponsorship or underwriting originates from a Vendor, Board shall vote to accept or decline.
- e) Board shall be notified of, and approve, all WasteWater Education solicitations in advance.
- f) Any sponsorship or underwriting may be terminated by Board if it is felt to be in the best interests of to protect it's integrity.
- g) In compliance with Code of Ethics Policy, any Board member having an employment or remuneration association with a prospective contributor shall absent himself/herself from any discussion on the issue and shall not vote.

Signed:

John Kelley. Chair

POLICY 5. POLICY TO GOVERN PAYMENT OF STATE AND FEDERAL INCOME TAX, QUARTERLY WITHHOLDING AND MI UNEMPLOYMENT.

July 28, 2009, 2014

Purpose: To facilitate prompt payment of mandated State and Federal Employment Taxes, Withholding and Unemployment Taxes.

Procedure:

Establishment of internet reporting and payment of:

- a) Federal Quarterly Income Tax, Social Security and Medicare Withholding Payments
- b) State of Michigan Quarterly Unemployment Insurance Reporting and Payments
- c) State of Michigan Annual Income Tax Reporting and Payments

The Board Treasurer shall instruct, by print, Fax or EMail, the Executive Director to make said payments and Reporting.

Both The Board Chair and Treasurer shall receive the State and Federal Confirmation of Payment from the Executive Director and initial that Direct Debit Payment on the Bank Statement when it is recorded.

The Board Chair and Treasurer shall maintain access password and LOGIN information.

No changes to that information are permitted without the express permission of both the Board Chair and Treasurer.

In the event of a change of Executive Director, the Board Treasurer is instructed to immediately change the access password and LOGIN information.

IN WITNESS THEREFORE:

Scott J. Kendzierski. Chair.

WasteWater Education Inc.

**POLICY 6 The WasteWater Education Board of Directors *Whistle Blower Protection Policy*:
Approved October 26, 2009**

Government of this not for profit organization is a trust, and employees, officers and Directors of this organization are trustees.

Employees and Directors in the capacity of trust upon them, shall observe ethical standards with absolute truth, integrity and honor.

If any Employee or Director believes there is evidence of wrongdoing, self-dealing, corrupt activity, malfeasance or misfeasance, actions or incompetency which renders the organization liable for civil or criminal prosecution and penalty they shall proceed in the following manner:

- a) Bring the matter to the attention of the Board Chair, either verbally or in writing.
- b) Ask the Board Chair to approve a course of action which is witnessed by initialing a written document containing a record of both the complaint and that remedial action.
- c) If the focus of the complaint is the Board Chair, then the contact shall be the Vice Chair with procedures following the same course as 'b' above.
- d) The documented complaint shall include a timeline for resolution or further action.
- e) In the event the complainant feels, after following the actions above, proper resolution has not been enacted they may report their evidence to appropriate authorities.

By virtue of established law, the complainant shall be protected from any and all retaliatory action both while the issue is under investigation and/or during prosecution.

POLICY 7. The WasteWater Education Board of Directors Document Retention and Destruction Policy: Approved October 26, 2009

Government of this not for profit organization is a trust, and employees, officers and Directors of this organization are trustees.

Employees and Directors in the capacity of trust upon them, shall observe ethical standards with absolute truth, integrity and honor.

This trust is exemplified in the keeping of appropriate institutional records both for historical purposes and to comply with state and federal legal requirements.

Record Retention: Shall comply with guidelines currently identified as being appropriate for 501(c)3 organizations by both the State of Michigan and the US Department of Treasury Internal Revenue Service. Documents to be retained include but are not limited to:

- a) Corporate Records; Bylaws (and noted amendments), Corporate ID, 501(c)3 documentation, State Charitable Solicitation Records, IRS990 and Annual Audit Returns, Employee tax and withholding records. Sales Tax Records. Minutes, Finance Reports. Bank Statements. Invoices and Receipts.
- b) Program Records: All approved grant documentation, donations and in-kind support.
- c) Annual Reports
- d) All pertinent correspondence either written or electronic.
- e) The Corporate Minute Book shall be maintained at 603 Bay Street, Traverse City at the office of Board Attorney H.Wendell Johnson.
- f) The Executive Director, Board Chair and Treasurer are required to keep copies of the Corporate files.
- g) All Directors shall have access to the business documents of the organization, as presented in each month's Meeting Packet via an online data back up and archive service. Such access is privileged and restricted as confidential to only Board Directors.

Record Destruction: Shall comply with guidelines currently identified as being appropriate for 501(c)3 organizations by both the State of Michigan and the US Department of Treasury Internal Revenue Service.

- a) Electronic communication for non business purposes may be deleted on a daily basis: i.e for the purpose of establishing meeting dates.
- b) After a period of 2 years, paper documents may be converted to electronic for storage providing the process complies with guidelines currently identified as being appropriate for 501(c)3 organizations by both the State of Michigan and the US Department of Treasury Internal Revenue Service.

This Policy is adopted in recognition that it is obstruction of justice to impede or delay a federal, state or local investigation by deleting, obscuring or altering any communication related to the operation of this organization. It is also an offense to request or require any employee or Director engage in any such activity. If asked, or instructed to do so, the party may bring the incident to the attention of senior management and be protected under the Whistle Blower Protection Policy

POLICY 8. NON DISCRIMINATION POLICY: Approved February 23, 2010 , 2014

This organization will not advocate, support, or practice discrimination based on age, ethnicity, gender, national origin, disability, race, size, religion, sexual orientation, or socioeconomic background.

Addendum Approved December 6, 2012

Employee Protection Procedures

Government of this not for profit organization is a trust, and the officers and Directors of this organization are trustees. Management best practices for ensuring proper protection of employees and governing workplace conduct are set forth as follows:

An Employee shall have an expectation of respect.

If an Employee feels threatened, coerced, intimidated or demeaned by a person in a supervisory role they shall adhere to the following procedures.

1. Unwanted, or unwarranted behavior by a person in a position of authority shall be documented in writing by the Employee and presented to that person who shall acknowledge receipt by signature with date.
2. Both parties shall receive a copy.
3. The Employee may designate an intermediary for this process.
4. If said behavior is not modified, Action A. shall be repeated 3 times.
5. Alleged behavior must be documented.
6. In the event said behavior persists, a formal written reprimand shall be issued by the Board Chair, or a designated Officer and noted in the Board Minutes. Both parties shall attend a formal conflict resolution/mediation meeting.
7. If said behavior is repeated, and documented, it shall be brought to the attention of the Board Chair for appropriate Board action.

**POLICY 9. A POLICY TO GOVERN THE USE OF SOCIAL MEDIA
ADOPTED July 15, 2011) 2014**

PURPOSE:

The term 'social media' shall refer to all forms of internet based communication.

The purpose of employing social media is to advance the public awareness of:

- a) the nature and mission of this organization
- b) the professional abilities of all those employed by or affiliated with this organization
- c) verifiable and professional sources of reference information relating to the Mission
- d) to build partnerships and professional connections

RESPONSIBILITY:

It is incumbent upon all Staff and Board Members to conduct themselves with the utmost discretion, professional courtesy and exercise responsible good judgement when engaging in social media activities.

If acting on behalf of, or representing the views of, this organization, Staff must be guided by:

- a) the Mission
- b) exposure to liability
- c) prevailing law regarding advocacy v lobbying , copyright infringement and permission to rebroadcast
- d) verification of content

ATTRIBUTION:

All social media posts which reference this organization must include attribution to mitigate bogus filings.

PERSONAL ACCOUNTS:

While this organization recognizes the principle of free speech, any conduct which reflects upon the character or professional reputation of this organization will be reviewed by the Board of Directors and subject to employment review.

GUIDING PRINCIPLE:

Social media is a valuable tool which should be used to aid communication with our followers, readers, audience and users. Use of this format is an additional means to frame the conversation around specific issues this organization believes in and make sure that our position is heard and commented on.

WasteWater Education Inc.: Resolution to Create Organizational Bank Checking Account. 10/7/03

As amended October 22, 2013, 2014/ June 20, 2017

THE BOARD on this date ~~October 22, 2013, 2014/~~ **June 20, 2017** hereby resolves to create the official organization bank checking account at [~~Northwestern Bank, Chemical Bank—changed 04/21/15~~], 625 S. Garfield Avenue, Traverse City, MI 49684 -Huntington Bank, 3160 South Airport Road West, MI372, Traverse City, MI 49684

[The Board on this date, October 22, 2013, 2014/ June 20, 2017, hereby authorizes the Executive Director to access and receive digital downloads of e-Statements online.]

THE BOARD shall receive monthly reports from all persons responsible for monitoring, expending or accounting for disbursements and income to verify that collections received are properly receipted.

A single signatures is required for this checking account.

[The Board on this date, October 22, 2013, 2014/ June 20, 2017, signifies that a single signature is required from any named Officer, in the order of preference as specified in the Bylaws]

Bank signature cards shall be kept current and the authorized signers limited to those so authorized by this Resolution.

DISBURSEMENTS (amend)

Bank accounts must be promptly (within the month following the bank statement date) reconciled by the Treasurer and verified by an individual not involved in the receipt/bank deposit process. (amend) The Executive Director is empowered by specific instruction of the Board, and with notification to the Officers only, to make electronic payments by Direct Debit. Such transactions to be reviewed and approved at each regular monthly Board meeting.)

[Also Transfer for the sole purpose of payroll deduction {addition on April 22, 2015} Such transactions to be reviewed and approved at each regular monthly Board meeting.) Transfer for the sole purpose of payroll deduction must receive prior approval, be witnessed by 2 Officers and verified by receipt and Bank statement {addition on April 22, 2015}