



Pharr Literacy Project, Inc. Budget Policy/Fiscal Accountability

- A. **Purpose** - The purpose of this policy is to describes, in general, the budget policy at the Pharr Literacy Project (PLP) and the responsibilities of its Board of Directors, staff and volunteers.
- B. **Persons Affected** – This policy applies to all members of the Board of Directors, staff, and volunteers.
- C. **Policy** - The policy of PLP is to comply with all grant requirements and limitations and generally accepted accounting principles.
 - 1. The PLP budget is the means by which the PLP mission is translated into specific programs and activities, for it is the funding of programs and activities that turns theory and intention into action. The budget reflects PLP’s commitment to certain goals, even though the ultimate achievement of those goals may be beyond the period covered by the budget.
 - 2. The PLP Board of Directors and staff are not authorized to expend funds beyond the approved budget limits.
- D. **Responsibilities** - The Chair of the Finance Committee in conjunction with the Finance Committee is responsible for:
 - 1. Planning the expenditures to carry out the operations of the account and staying within the budget limits of the account;
 - 2. Knowing the restrictions applicable to each account and using the funds in conformity with these restrictions;
 - 3. Providing assurance as to the accuracy of their accounts by certifying that:
 - a. The account has been reconciled for the fiscal year and that all reconciling items have been satisfactorily resolved;
 - b. After any recorded corrections, all transactions in the account were properly recorded and were appropriate and allowable in relation to fund restrictions;
 - c. There are no misstatements or omissions in the financial information in the account.
 - 4. Reporting all frauds known to Chair of the Finance Committee and following up to ensure that they are appropriately addressed.
- E. **Review** - This policy shall be reviewed by the Executive Board of Directors annually.