

How to Protect Your District and Your Personal Liability as a Board Member and/or Employee

MASWCD Area Meetings
August 26-30

District Boards

**The board is responsible for
management of the district**

This includes:

1. Planning (Goals and Priorities)
2. District Operations
3. District Employees
4. Cost Share Program
5. State and Local Funding

District Boards are Accountable and Responsible for District Finances!

- Reviews and approves treasurer's report at each board meeting.
- Includes all checking, CD's, money market and savings accounts.
- Bank reconciliations **must** be available at each board meeting for review.
- Treasurer's report, bank statements and check book(s) must all balance.
- Create a budget and follow it.

Check Procedure

- Do not pre-sign checks.
- Do not sign your own check.
- No signature stamps.
- Invoice or bill should be presented when check is signed.
 - A MOSWIMS timesheet is proper documentation for payroll.

Income Procedure

- Always give a pre-numbered receipt.
- Take deposits to the bank in a timely manner.
- Avoid cash transactions.

Bank Reconciliations

- Require segregation of duties.
- Must be done by someone who does not:
 - Receive equipment rental or handle cash
 - Take deposits to the bank
 - Sign checks
- Treasurer must approve and initial bank reconciliation.

Bank Reconciliations

- To make sure that segregation of duties occurs in the SWCD, the Program Office encourages all SWCDs to outsource the monthly bank reconciliation to a local business/accountant

Bank Reconciliations

- With more electronic withdrawals and deposits the board may consider formally approving the bank reconciliation at their monthly board meetings.

Credit Card vs Debit Card

Credit Card vs Debit Card

- Debit cards are not allowed
- Credit card is allowed but SWCD must develop a credit card policy.

Credit Card Policy includes:

- What can be purchased
- Who has access to card
- Credit card limit
- What purchases need board approval
- No cash advances allowed
- Other items ...

Credit Card Use Agreement

- Signed by the employee and SWCD board

Credit Card Statement

- Credit card statement and invoices must be reviewed at board meetings



SWCD Option for Credit Card

- Program Office staff are currently working with UMB to provide credit cards to SWCDs.
- Currently working with 2 SWCDs on securing credit cards through UMB.

UMB Credit Card

- The Program Office will be the “administrator” of the card.
- The Program Office will set the credit limit and transaction limit.
- The Program Office will have access to the SWCDs credit card statements.
- The credit card will be assigned to an employee of the SWCD and their name will appear on the card.

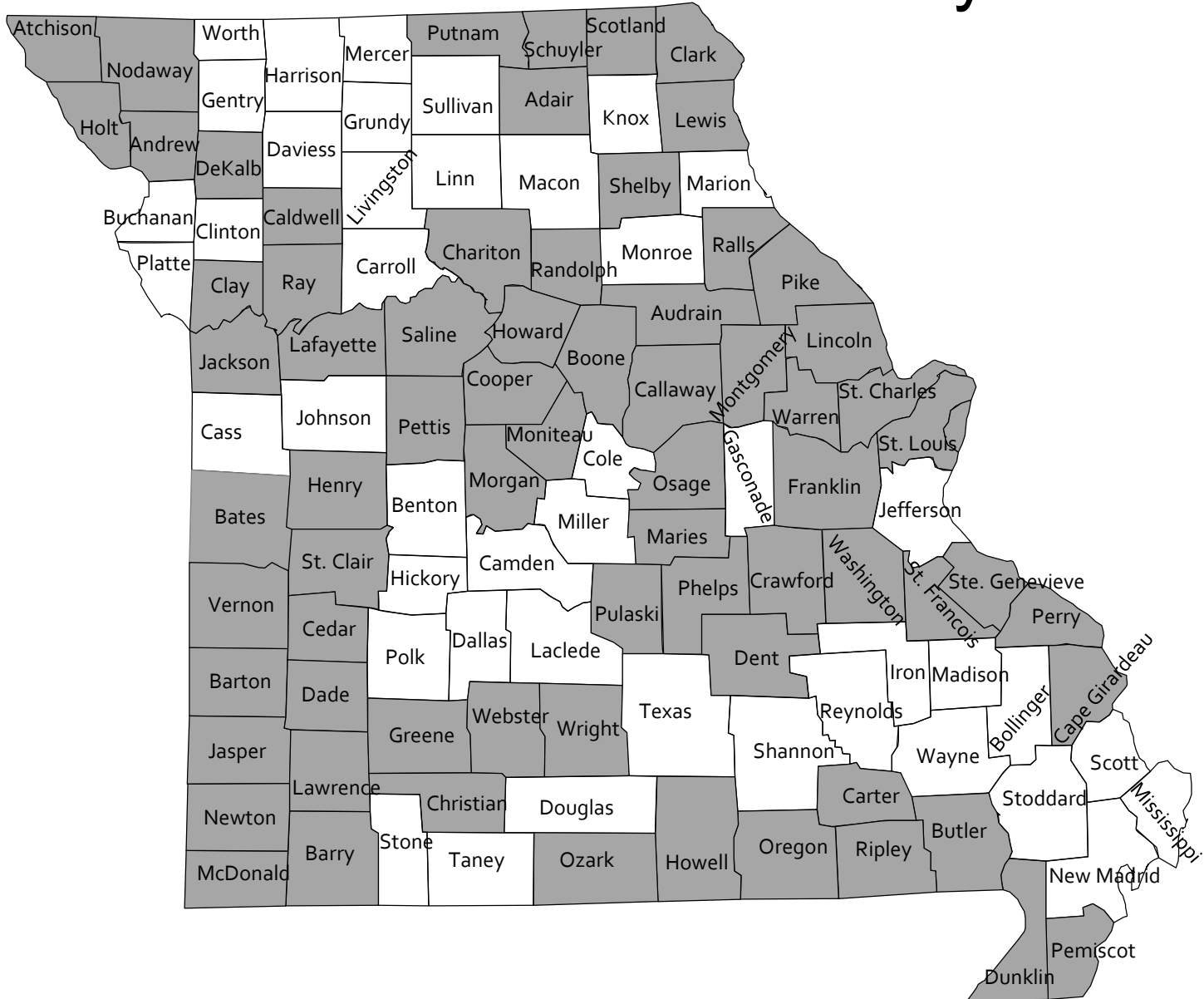
UMB Credit Card

- The employee assigned the card will have to attend a training (through a webinar).
- Training will be provided to the SWCD board at a board meeting.
- Board must review and approve all credit card statements.
- Only for SWCDs boards that request credit card.

Payroll and Liability

- Employee that does payroll and fills out the tax forms is personally liable per IRS
- Program office strongly suggest that SWCDs outsource their payroll to transfer that liability to another entity.

SWCDs that Outsource Payroll





District Finances

- State Funds
- Local Funds



Local Funds

- RSMO 278.080 states: “...any money or other form of aid raised or provided within a soil and water district for the use or benefit of that soil and water district shall be received and administered by the governing body of that soil and water district.”

Local Funds

- The local funds of the SWCD are considered public funds, as the SWCD is a locally operated subunit of state government, organized according to state law. Article III Section 38(a) of the Missouri Constitution prohibits the granting of public monies or property to any private person, association or corporation.

Local Funds

- The State Constitution prohibits the use of locally obtained funds for specific items including, but not limited to salary bonuses, unspecified donations, scholarships and gifts.

State Funds

- The overall intention of the district assistance grant funds is to assist SWCDs in the conservation and protection of the state's soil and water resources. All expenditures, whether directly or indirectly, must be related to soil and water conservation efforts.

State Funds

- All expenses will be considered ineligible from state grants that do not have a direct correlation or content related to protecting the productive power of Missouri's agricultural land through saving soil or protecting the water resources of the state.

State Funds

Revenue

Quarterly allocation

- Allotment is broken down into “funds”.
- Districts must submit quarterly information to the SWCP to ensure cash flow and accountability.

State Funds

Revenue

Quarterly Requirements

- Quarterly Report submitted with proper documentation.

State Funds

Expenditures

- Each year the SWCP provides guidance which details eligible expenses from each fund.
- Incorrect expenditures or those exceeding a fund allocation must be transferred to correct fund or to local funds.

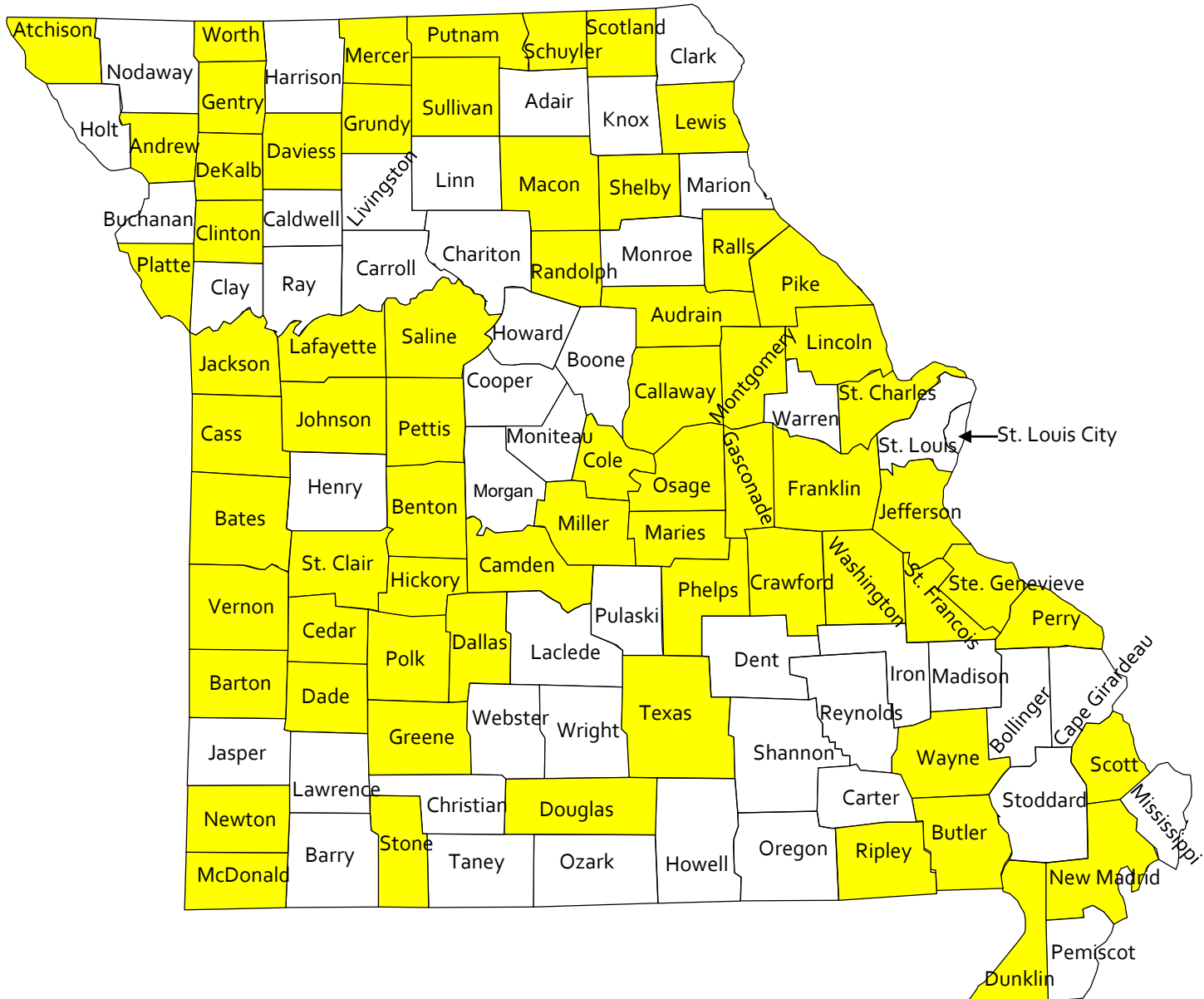
Quarterly Report Deadlines

- July 20, October 20, January 20 and April 20
 - If the quarterly report is not received by this date a reminder email will be sent to the SWCD staff
- August 1, November 1, February 1 and May 1
 - If the report is not received by this date a letter will be sent to board members stating that the report is late and the district's quarterly allocation may be delayed.

Quarterly Report Deadlines

- August 15, November 15, February 15 and June 15
 - Reports not received by this date will not receive their allocation until their next quarterly report is received, verified and completed.
- September 1, December 1, March 1, and June 1
 - Reports must be verified and completed by this date. If not completed by this date no additional funds will be sent until the next quarterly report is received, verified and completed.

SWCDs Trained on New Financial Tracking System



Conflict of Interest

- Board members must abstain from voting on any cost-share contract, change order or payment that they may have a personal or financial interest in.
 - You also should never sign as the board approval on any of those documents.
- SWCD staff should not work on cost-share practices that they have a personal or financial interest in.

Personnel Management

The SWCD boards are solely responsible for all aspects of the district employees, as their supervisors. This includes hiring, firing, directing work, determining compensation and disciplinary actions.

Personnel Management

Some points you will want to consider regarding personnel might include:

1. Hiring
2. Promotions
3. Employee compensation and benefits
4. Staff responsibilities
5. Performance evaluations
6. Retention of employee files

Staff Responsibilities

- **Policy and Administration:** Responsible for implementing Commission and SWCD Board policies.
- **Policy Guidance:** Bring relevant issues to the board that have policy or budget implications. Provide the board/committee with options that take in technical issues, resources, and important information.
- **Develop Strategies:** Work with chair and committees to prepare and plan agendas and meetings.

Staff Responsibilities

- Meeting Preparation: Prepare announcements and follow Sunshine Law for meetings; arrange for meeting space; secure materials or resources to facilitate meetings.
- Professional: Represent the district in a professional way at all events and working with the public.
- Informative: Keep the district board informed of events that affect the district.

Evaluation of Staff

- Board members are responsible for evaluating the performance of the district's staff.
- Evaluation is an on-going assessment of the way in which the staff carries out his or her responsibilities.
- The formal appraisal may be conducted by the full board or a special subgroup formed for this purpose.

Evaluation of Staff

- Criteria for performance evaluations are generated in advance by both board members and staff.
- While evaluation of performance may focus on responsibilities defined in the employee's job description, it also may take into consideration personal qualities such as the employee's attitude or flexibility.

SWCD Self Assessment Checklist

- The Program Office is in the process of developing a SWCD Self Assessment Checklist.
- The checklist includes several of the items mentioned in this presentation.
- Items include: financial, personnel, minutes, inventory, and elections.
- Completed annually and submitted to Program Office.

District Coordinator Checklist

- The Program Office is in the process of developing a checklist for the District Coordinator to use when attending board meetings.
- The checklist will address board meeting requirements.

Items to remember!!!

- As a good business practice, develop a budget of income and expenditures for the year...and follow it!
- The board is responsible for making sure your district is not operating in the red.
- Bank reconciliations for all accounts must be performed and provided at every meeting.
- Your district board is solely responsible for personnel management.

Items to remember!!!

- Board members need to ensure they are approving and signing timesheets.
- As a board member you should abstain and not vote or sign anything you have an interest in.
- If something does not seem right, please ask!

District Support Section

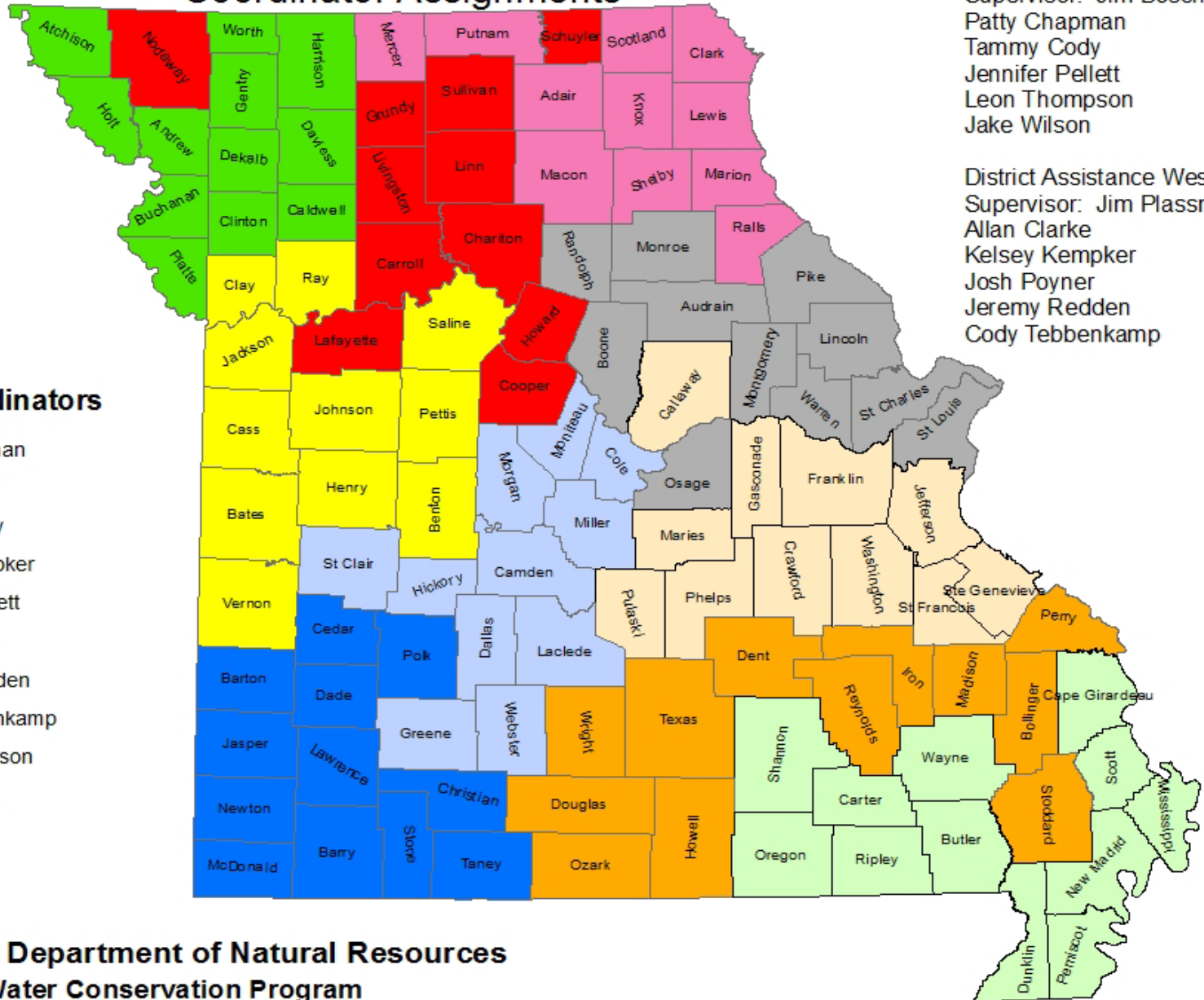
Coordinator Assignments

District Assistance East
 Supervisor: Jim Boschert
 Patty Chapman
 Tammy Cody
 Jennifer Pellett
 Leon Thompson
 Jake Wilson

District Assistance West
 Supervisor: Jim Plassmeyer
 Allan Clarke
 Kelsey Kempker
 Josh Poyner
 Jeremy Redden
 Cody Tebbenkamp

District Coordinators

-  Patty Chapman
-  Allan Clarke
-  Tammy Cody
-  Kelsey Kempker
-  Jennifer Pellett
-  Josh Poyner
-  Jeremy Redden
-  Cody Tebbenkamp
-  Leon Thompson
-  Jake Wilson



Additional Training

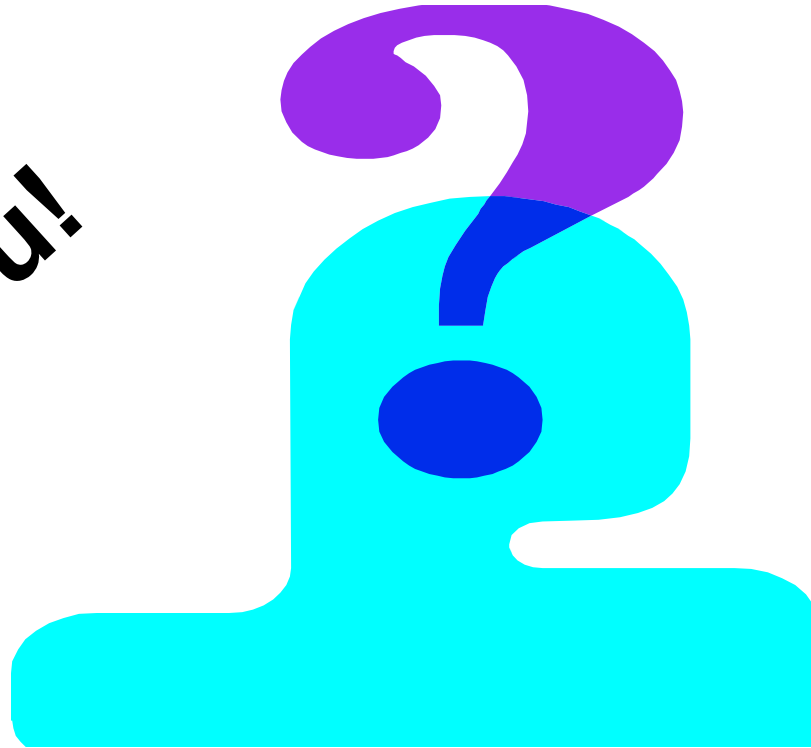
Board member training modules are available from the SWCD intranet site.

- Soil and Water Background and Overview
- Board Meeting Agenda and Minutes
- Soil and Water Conservation District Boards
- The Sunshine Law
- Others????



Questions???

Thank You!



Check out the Soil and Water Program website at
dnr.mo.gov/env/swcp/index.html