Financial Controls Policy

Policy Number: FIN-001
Approved By: Board of Directors
Effective Date: 4/20/2026

Executive Summary

This policy establishes Branches Christian Cooperative's standards for faithful, transparent, and accountable financial stewardship. It outlines the internal controls, approval processes, spending limits, and reporting structures necessary to protect the Cooperative, its volunteers, and its mission. The policy reflects both nonprofit best practices and Branches' commitment to biblical integrity.

- Defines authorized signers and access levels in alignment with the Banking Resolution
- Establishes internal dual-control procedures for checks and electronic transfers
- Affirms Branches' cashless operations
- Outlines reimbursement requirements and approval processes
- Sets budgeting, spending authority, and prohibited spending parameters
- Details online payment platform access controls
- Requires regular financial reporting and an annual financial review
- Defines financial misconduct and reporting pathways

Financial Controls Policy

1. Biblical Foundation

Branches Christian Cooperative ("Branches") affirms that financial stewardship is an act of faithfulness before God. Scripture calls believers to integrity, transparency, and accountability in all things (1 Corinthians 4:2; 2 Corinthians 8:21; Proverbs 3:9).

This policy reflects Branches' commitment to stewarding resources in a manner that honors Christ and protects the Cooperative.

2. Bank Accounts & Authorized Access

2.1. Authorized Signers

Per the Banking Resolution, the authorized signers are:

- President
- Treasurer
- Assistant Treasurer

These individuals may sign checks, access online banking, make deposits, approve electronic transfers, and receive account information.

2.2. Redstone Access Structure

Because Redstone Federal Credit Union does not support technical enforcement of dual signatures or dual control:

- Each authorized signer has their own login.
- The Treasurer's account controls permissions for all other users.
- The President and Assistant Treasurer have full access.
- Internal controls (not bank controls) govern dual approval requirements.

2.3. Dual Control (Internal Enforcement)

Even though Redstone cannot enforce dual control:

- Two signatures are required for checks above $500.
- Electronic transfers require two individuals:
  - One initiates
  - One approves
- These controls are enforced internally by the Board and officers.

2.4. Prohibited Actions

- No individual may sign a check made out to themselves.

- No individual may approve their own reimbursement.
- No individual may unilaterally initiate and approve an electronic transfer.

3. Cash Handling

Branches is a cashless organization.

- All payments must be made via check or approved digital platforms (e.g., Zeffy).
- No cash may be collected, stored, or deposited for any Branches activity.

4. Expense Reimbursements

4.1. Requirements

Reimbursements require:

- A completed reimbursement form
- Original receipts or other proof of payment
- Submission within 30 days of the expense

The Board may approve reimbursements older than 30 days (e.g., startup costs).

4.2. Approval

- The Treasurer or Assistant Treasurer may approve routine reimbursements.
- Reimbursements above the threshold requiring two signatures (per the Banking Resolution) require two approvals.
- No individual may approve their own reimbursement.

5. Budgeting & Spending Authority

5.1. Annual Budget

- Branches adopts an annual budget approved by the Board.
- The budget assigns oversight of each line item to specific individuals.

5.2. Spending Limits

- Individuals may spend within their assigned budget line items up to the approved amount.
- Spending outside or above the approved budget requires Board approval.

5.3. Prohibited Spending

- Personal purchases
- Unbudgeted commitments without Board approval

- Any expenditure inconsistent with Branches' mission or Statement of Faith

6. Online Payments & Digital Tools

6.1. Approved Platforms

Branches uses:

- Zeffy for dues and donations
- Checks for other payments as needed

6.2. Access Controls

- At least two individuals must have view-only access to all online financial accounts.
- Passwords must be stored in a secure, shared vault accessible to the Treasurer and President.
- No single individual may have exclusive access to any financial platform.

7. Recordkeeping & Reporting

7.1. Treasurer Reports

The Treasurer will provide:

- Quarterly financial reports to the Board
- Additional updates as requested
- A year-end summary for the annual meeting

7.2. Annual Financial Review

Branches will conduct an annual financial review, performed by:

- A Board member not involved in financial operations, or
- An outside volunteer with relevant expertise

A full CPA audit is not required unless mandated by law or Board decision.

7.3. Record Retention

Financial records will be maintained according to the Document Retention Policy.

8. Internal Controls

Branches maintains the following internal controls:

- Segregation of duties
- Internal dual control for electronic transfers

- Two signatures for checks above $500
- Prohibition on self-signed checks
- Secure storage of financial records
- Verification of payee banking information
- Documentation of all transactions

These controls protect both the Cooperative and its volunteers.

9. Financial Misconduct

Financial misconduct includes:

- Misuse of funds
- Fraud or deception
- Unauthorized spending
- Failure to follow financial policies
- Concealment of financial information

9.1. Reporting

Concerns may be reported through:

- The Whistleblower Policy
- The Volunteer Code of Conduct
- The Board's disciplinary authority under the bylaws

9.2. Consequences

Consequences may include:

- Removal from financial duties
- Suspension or termination of membership
- Legal action if required

10. Adoption and Review

This policy is adopted by the Board of Directors and will be reviewed periodically to ensure alignment with The Banking Resolution, nonprofit best practices, Alabama law, and the mission and values of Branches.