

CedarCrest II HOA Financial Policies & Procedures (revised)

Purpose & Scope

To align day-to-day accounting with the newly adopted Bylaws, protect HOA funds, and ensure timely, transparent reporting to the Board.

Effective Date: upon Board approval

Applies to: All officers, committees, and vendors

1) Roles & Authority

- **Treasurer (Cameron DeWitt)** – Primary custodian of all financial records; manages deposits, disbursements, reconciliations, monthly/quarterly reporting, tax filings.
- **President (James D. Smith)** – Oversight of financial operations; co-holder of banking access and debit card; reviews monthly reconciliation.
- **Vice President (Tom Berry)** – No routine banking role; may initial checks as described below; supports oversight.
- **Secretary & Special Events** – **No banking authority** and **few support financial duties** (may submit approved purchase only).

Only the **Treasurer and President** may hold HOA banking credentials and debit cards.

2) Banking & Cards

- **Debit cards:** Treasurer and President only.
 - **Daily limit:** request reduction from \$5,000 to ≤ **\$1,500** per card.
 - **PIN/Alerts:** Enable purchase alerts (email/text) for all transactions.
- **Checks:** Require **initial by President OR Vice President** on the check (or check stub) prior to issue by the Treasurer.
- **Online access:** 2FA required; user list reviewed each quarter and after role changes.

3) Disbursements, Approvals & Reimbursements

- **Approved expenses** may be paid by HOA check or HOA debit card (Treasurer/President only).
- **Between-meeting approvals:** obtain **two-officer OK** (email/text) for any unbudgeted or time-sensitive item; attach to the receipt.
- **Receipts:** Must include vendor, date, purpose; submit to Treasurer **within 14 days**.
- **No personal charges** on HOA cards. Reimbursements are by **check only** with prior approval and receipt.

****All vendors must provide the President or Treasure before contract is approved!*

4) Monthly & Quarterly Reporting (Board-Only)

- **Monthly (by the last day of each month):**
 - **P&L** (shows all income and expense line items) banking balance sheet is Ok for each EOM this should be emailed to the voting board members.
 - **Debit & credit detail**

- **Bank statement & reconciliation monthly**
- Distributed to **Board members only** (not public).
- **Quarterly packets** cover:
 - **Jun–Aug, Sep–Nov, Dec–Feb, Mar–May**
 - Each packet includes the three monthly reports + a brief quarter summary. Due within 15 days after Quarter ends
 - **November 2025** will be delivered as the **Sep–Nov** quarterly packet with each month broken out.

5) Records Management

- **All original statements and receipts** are kept in an **organized storage box** (clearly labeled by month/quarter), with digital copies in the shared archive.
- **Dropbox**
<https://www.dropbox.com/scl/fo/i9meusconicii2zjf05if/ACxWo7rycs4gyWuXYVBpWMw?rlkey=419fxhk58i16eh05p7u6z7u32&st=5dboyxjh&dl=0>
- Retain financial records in accordance with Oklahoma nonprofit best practices (minimum 7 years for bank statements, reconciliations, and tax filings).

6) Tax & Filings

- **First tax filing: May 2026** for the **2025** tax year.
- Treasurer, President and Vice President support federal/state filings (as applicable) and maintains any City/County registrations that affect HOA operations.

7) Budget Cycle

- **Budget review begins January 2026** for the remainder of FY and to prepare carryover for the **June 2026** fiscal-year start.
- Example baseline allocations (to be finalized in January):
 - Grounds/Lawn service: **\$500/month**
 - Election/meeting costs: **\$400** (spring cycle)
 - Utilities (water/electric): actuals + 10% contingency
 - Entrance enhancements & beautification (Phase 2+): line-itemed from carryover and donations
- With major repair/renewal work largely completed in the past six months, the 2026 budget will shift to **true upgrades and beautification** at the front entrance.

8) Compliance & Transparency

- Policy is intended to **align with the new Bylaws** and will be reviewed annually.
- Board receives **monthly** and **quarterly** reports; members receive **quarterly summaries** via minutes and/or website.

9) Immediate Next Steps

1. Bank: reduce debit limits to **≤ \$1,500**; confirm alerts on both cards.

2. Bank: implement check **initial** requirement (President or VP) before Treasurer issues checks.
3. Treasurer: send **November 2025 quarterly packet** (Sep–Nov) by end of month.
4. Secretary: create labeled **records box**; ensure digital archive folders mirror physical organization.
5. President/Treasurer: schedule **January 2026 budget session** with draft line items.