**Financial Control Procedures - Mexico**

**PURPOSE:**

To provide direction on financial policies and procedures for the Mexico site location.

**EFFECTIVE**: 03/01/2012

**RESPONSIBLE FOR ANNUAL UPDATES**: Mexico Site Director (with approval from CGE Director and Senior Accountant)

**POLICIES AND PROCEDURES:**

**Issuing of checks:**

* 1. The check book is kept in a locked, secure place, which only the Office Manager and the Site Director have access to.
	2. The Office Manager and the Site Director are the only staff in Mexico who can write checks.
	3. All checks are signed by both the Office Manager and the Site Director. No checks may be issued without both signatures.
	4. All checks must be made out to an individual or company.
	5. When a staff person needs a check to pay host families or other expenses, they must make a written request to the Office Manager or the Site Director for the check.
	6. All checks are registered in the office records with the check number, requestor, payee, date, and amount, along with receipts.
	7. All salaries paid from the Mexico site are paid with checks. In addition, the staff person being paid must sign a receipt that she or he received the amount listed on the check.
	8. Checks for cash advances are not allowed.
	9. The Office Manager reconciles all checks drawn in the bank statement with the check register.

**Cash Withdrawals:**

1. The Office Manager and the Site Director are the only ones who are authorized by the bank to make direct withdrawals.
2. When possible, two staff members should go to the bank due to security concerns.
3. If other program staff need a large amount of cash for program expenses related to a travel seminar and there is not enough in the safe, the Office Manager will write a check for the amount to the person. This staff member then goes to the bank to make the withdrawal and has to submit receipts and documentation related to the cash that was spent.

**Cash Management:**

1. Most cash is kept in a secured safe to which only the Office Manager and Site Director have access. Some cash used for program expenses is given to staff members and stored in a less secure safe until it is needed.
2. Many payments in Mexico cannot be made with checks or credit cards. Therefore, when cash must be used, the staff person who needs cash requests it from the Office Manager or Site Director.
3. Requests for cash for program purposes must be made in advance.
4. Cash is typically only given out by the Office Manager on Tuesdays and Thursdays before 2:30 p.m. When cash is distributed, the staff person signs a receipt acknowledging the amount, and a copy is also kept by the Office Manager.
5. Unless special permission is granted in advance, staff may generally only receive MXN $5,000 pesos at a time.
6. Individual staff that request cash for program purposes are responsible for that cash while it is in their possession. Therefore, staff are urged to keep it in a general staff safe within the office in an envelope with their own name on it when not using it. If a staff person loses cash, she or he is responsible for reimbursing CGE.
7. When paying in cash, staff must get receipts from the business or signed receipts from guest speakers (for honorarium) or tour guides, etc.
8. All staff must keep detailed records of all expenses (whether in cash, with a check, or credit card). Those details are listed on each person’s monthly finance report, along with the date, amount, and purpose of the expense in the appropriate budget category. This report is then submitted to the Office Manager, who checks to ensure that all expenses are appropriately recorded and documented, along with receipts, which are also turned in to the Office Manager at that time.

**Revenue:**

1. All vehicle or house rentals must be accompanied by a signed agreement by the participants.
2. Regarding vehicle rentals, a liability agreement must be signed by the participants and the driver must be a CGE employee who is authorized and insured.
3. A receipt must be issued for all transactions and be signed by the participants.
4. The cash should be deposited to the petty cash fund and entered as revenue on the site report.

**Monthly Financial Reports:**

1. Monthly reviews of check listing, petty cash, and monthly bank statement are completed by the Office Manager and the Site Director. In the Site Director’s absence, another staff member may be authorized in advance by the Site Director to conduct the separate counting of the cash.
2. After all the individual monthly finance reports and receipts are submitted, the Office Manager compiles a monthly financial report for the site, along with all other documentation requested by the College.
3. After the site report is compiled, the Office Manger and Site Director count all petty cash and record the number of each denomination of bill and coins in both pesos and dollars and add that to the report. The Office Manager does the first count, and then it is double-checked by the Site Director. In her absence, another staff member may be authorized in advance by the Site Director to conduct the separate counting of the cash to ensure that the amounts reported match.