

Financial Roles Mapping Exercise

WSFMA Workshop: Bookkeeping That Works

Map your current reality. Draw lines connecting each **ROLE** to the **FINANCIAL RESPONSIBILITIES** that person currently handles.

Roles

Board of Directors
(all)

Board President

Board Treasurer

Bookkeeper

CPA

Market Staff

FINANCIAL RESPONSIBILITIES

Receive funds (cash, checks, vendor fees)

Record transactions in accounting software

Reconcile bank statements

Approve expenditures

Sign checks or authorize payments

Issue market currency (tokens, gift certificates)

Redeem market currency from vendors

Process EBT/SNAP transactions

Prepare financial reports

Review financial reports independently

Reflection:

- Is any one person handling too many responsibilities?
- Are the four critical duties separated: receive, record, approve, reconcile?
- Who has independent oversight of financial transactions?
- What is one structural improvement you could make this month?

HANDOUT 2

Employee Handbook Outline

Outline for Farmers Market Organizations

1. Organization Overview

- Mission statement
- Market locations and operating schedule
- Position roles and organizational chart

2. Employment Policies

- Equal employment opportunity
- At-will employment statement
- Anti-harassment and anti-discrimination policy
- Grievance procedure
- Code of conduct and workplace expectations

3. Classification & Work Schedules

- Exempt vs. non-exempt employees (FLSA definitions)
- Full-time, part-time, temporary, and seasonal classifications
- Work schedules and remote work policies
- Overtime policy and approval process
- Timekeeping and payroll procedures
- Comp time policies

4. Compensation & Benefits

- Pay periods and direct deposit
- Paid time off (PTO) or sick leave accrual
- Holidays observed and holiday pay
- Health insurance and retirement benefits (if offered)
- Uniform/equipment allowances

5. Time Off & Leave Policies

- Requesting time off and approval procedures
- Sick time usage and call-in procedures
- Family and medical leave (state and federal requirements)
- Jury duty, voting leave, and bereavement leave

6. Workplace Standards

- Confidentiality and data protection
- Conflict of interest policy
- Drug and alcohol policy
- Dress code and safety requirements
- Vehicle use and mileage reimbursement

7. Performance & Separation

- Performance reviews and check-ins
- Disciplinary procedures and corrective action
- Resignation notice requirements
- Exit interviews and final paycheck procedures

Employee Acknowledgment

Include signature page confirming employee received, read, and understands handbook; acknowledges at-will employment; and agrees to policy compliance.

Financial Policies Manual Outline

Outline for Farmers Market Organizations

1. Introduction & Purpose

- Scope of manual and who it applies to
- Fiscal year definition
- Compliance with GAAP and nonprofit standards
- Compliance with grant requirements – 2 CFR 200s

2. Division of Responsibilities

- Board of Directors — oversight and fiduciary duty
- Treasurer — independent review and reconciliation
- Executive Director — operational authority and limits
- Bookkeeper — transaction processing
- Contract approval authority and limits

3. Chart of Accounts

- Account numbering structure (1000s, 2000s, 3000s, 4000s, 5000s)
- Parent vs. posting accounts
- Adding or modifying accounts (approval authority)
- Annual chart review process

4. Cash Receipts & Revenue Recognition

- Cash handling procedures (who collects, who counts, who deposits)
- Deposit timing requirements
- Revenue recognition rules (earned vs. received)
- Invoice and billing procedures
- Donor acknowledgment and contribution tracking

5. Disbursements & Expense Approval

- Approval authority by dollar threshold
- Check signing requirements (single vs. dual signature)
- ACH and wire transfer procedures
- Reimbursement policy and required documentation
- Petty cash fund management

6. Market Currency Accounting

- Gift certificates — liability treatment (Method A)
- EBT tokens — liability treatment (Method A)
- Promotional coupons — expense treatment (Method B)
- Tracking and reconciling unredeemed balances

7. Purchasing

- Authorized purchasers
- Spending limits and prohibited purchases
- Receipt submission deadlines
- Procurement thresholds (when competitive bids required)

8. Bank Reconciliation & Internal Controls

- Monthly reconciliation procedures and timeline
- Independent review by treasurer or board member
- Variance investigation thresholds
- Segregation of duties matrix

9. Payroll Processing

- Timesheet submission and approval deadlines
- Payroll schedule (bi-weekly, semi-monthly, etc.)
- Tax withholding and reporting (W-2, 1099)
- Payroll service provider and backup procedures

10. Property, Equipment & Inventory

- Capitalization threshold for fixed assets
- Depreciation methods and useful life schedules
- Annual physical inventory procedures
- Disposal and donation authorization

11. Financial Reporting & Board Review

- Monthly financial package contents (Profit & Loss, Balance Sheet, Budget vs. Actual)
- Board reporting schedule and deadlines
- Variance explanation thresholds
- Annual financial review requirements (audit, review, or compilation)

12. Budget Development & Monitoring

- Annual budget preparation timeline
- Board approval process
- Mid-year budget adjustment procedures
- Budget-to-actual monitoring and reporting

13. Document Retention & Record Keeping

- Retention schedule by document type (IRS requirements)
- Physical and electronic storage procedures
- Access controls and confidentiality
- Document destruction procedures

Board Approval & Review

Financial policies manual should be formally approved by the Board of Directors and reviewed annually. Include approval date, version number, and next scheduled review date.

Sample Farmers Market Chart of Accounts

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Account Numbering Guide:

- 1000s = Assets (what you have) — Balance Sheet
- 2000s = Liabilities (what you owe) — Balance Sheet
- 3000s = Equity (net position) — Balance Sheet
- 4000s = Revenue (income earned) — Profit & Loss
- 5000s = Expenses (money spent) — Profit & Loss

Account #	Account Name	Type	Posting?
1000.09	Cash & Bank Accounts	Asset	No
1010.00	Operating Checking	Asset	Yes
1020.00	Savings Account	Asset	Yes
1030.00	Money Market	Asset	Yes
1040.00	Petty Cash	Asset	Yes
1100.09	Accounts Receivable	Asset	No
1110.00	Vendor Receivables	Asset	Yes
1120.00	Sponsorship Receivable	Asset	Yes
1130.00	Grant Receivable	Asset	Yes
1200.09	Other Current Assets	Asset	No
1210.00	Prepaid Insurance	Asset	Yes
1220.00	Security Deposits	Asset	Yes
2000.09	Current Liabilities	Liability	No
2010.00	Accounts Payable	Liability	Yes
2100.09	Market Currency Liabilities	Liability	No
2110.00	Outstanding Gift Certificates	Liability	Yes

2120.00	EBT Tokens Payable	Liability	Yes
2200.09	Payroll Liabilities	Liability	No
2210.00	Payroll Taxes Payable	Liability	Yes
3000.09	Net Assets	Equity	No
3010.00	Unrestricted Net Assets	Equity	Yes
3020.00	Temporarily Restricted Net Assets	Equity	Yes
4000.09	Vendor Revenue	Income	No
4010.00	Stall Fees	Income	Yes
4020.09	Flat Rate Fees	Income	No
4021.00	Application Fees	Income	Yes
4022.00	Parking Fees	Income	Yes
4023.00	Tent Rental	Income	Yes
4024.00	Power/Electricity Fees	Income	Yes
4025.00	Miscellaneous Service Fees	Income	Yes
4100.09	Sponsorship & Grants	Income	No
4110.00	Sponsorships	Income	Yes
4120.00	Grant Revenue - Taxable	Income	Yes
4130.00	Grant Revenue - Non-Taxable	Income	Yes
4200.09	Program Revenue	Income	No
4210.00	Event Revenue	Income	Yes
4220.00	Workshop Fees	Income	Yes
4230.00	Membership Fees	Income	Yes
4240.00	Community Booth Fees	Income	Yes

5000.09	Personnel Expenses	Expense	No
5010.00	Salaries & Wages	Expense	Yes
5020.00	Payroll Taxes	Expense	Yes
5030.00	Employee Benefits	Expense	Yes
5100.09	Market Site Expenses	Expense	No
5110.00	Site Rental	Expense	Yes
5120.00	Equipment Purchases	Expense	Yes
5130.00	Supplies - Market Operations	Expense	Yes
5140.00	Contracted Services	Expense	Yes
5150.00	Repairs & Maintenance	Expense	Yes
5200.09	Administrative Expenses	Expense	No
5210.00	Insurance	Expense	Yes
5220.00	Professional Fees	Expense	Yes
5230.00	Office Supplies	Expense	Yes
5240.00	Technology & Software	Expense	Yes
5250.00	Bank Charges & Fees	Expense	Yes
5260.00	Licenses & Permits	Expense	Yes
5300.09	Marketing & Outreach	Expense	No
5310.00	Advertising	Expense	Yes
5320.00	Promotional Materials	Expense	Yes
5330.00	Promotional Coupon Redemptions	Expense	Yes
5340.00	Website & Social Media	Expense	Yes
5400.09	Professional Development	Expense	No
5410.00	Conferences & Training	Expense	Yes

5420.00	Travel & Lodging	Expense	Yes
5430.00	Memberships & Subscriptions	Expense	Yes
5500.09	Utilities & Communications	Expense	No
5510.00	Electricity	Expense	Yes
5520.00	Phone & Internet	Expense	Yes
5530.00	Garbage & Recycling	Expense	Yes

How to Record Farmers Market Currencies

A Practical Decision Framework for Market Managers

Farmers markets often manage multiple types of currencies. The correct accounting treatment depends on the economic substance of the transaction. Use the decision framework below to determine whether a currency should be recorded as a liability, an expense, or a receivable.

Decision Framework

Step 1: Did your market receive cash or other consideration up front?

Yes → Record as a **Liability**

No → Go to Step 2

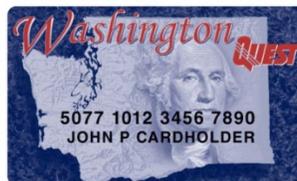
Step 2: Will your market be reimbursed by a third party?

Yes → Record a **Receivable** when redeemed

No → Record an **Expense** when redeemed

Method A – Liability Model

Currencies Sold for Consideration



Examples:

- Gift Certificates
- EBT tokens
- Any currency sold to customers

Accounting Treatment:**When sold:**

- Debit Cash
- Credit Market Currency Liability (2000-series account)

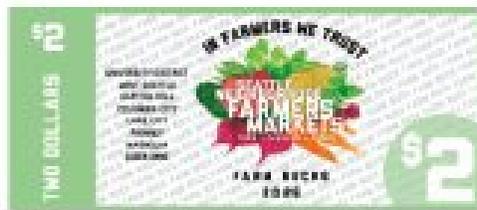
When redeemed by vendor:

- Debit Market Currency Liability
- Credit Cash (or Payable to Vendor)

Key Concept: Revenue is not recognized when the currency is sold. The market is holding funds on behalf of vendors.

Method B – Expense Model

Promotional or Coupon Programs

**Examples:**

- Promotional coupons
- Market Bucks funded internally
- Giveaway or prize coupons

Accounting Treatment:**When redeemed by vendor:**

- Debit Promotional Expense (5000-series account)
- Credit Cash

Key Concept: No consideration was received up front. The expense occurs when the coupon is redeemed.

Method C – Reimbursable Match Programs

Receivable Model



Examples:

- SNAP Market Match (when reimbursed to the market)
- Fresh Bucks
- City or grant-funded currency programs with guaranteed reimbursement

Important: *If your market is guaranteed reimbursement for match programs, use this method.*

Accounting Treatment:

When redeemed by vendor:

Debit Accounts Receivable – Reimbursement Agency (1000-series account)
Credit Cash

When reimbursement is received:

Debit Cash
Credit Accounts Receivable

Key Concept: This is an asset conversion. Cash is exchanged for a receivable, not an expense.

Summary Table

Method	Scenario	Cash Received Up Front?	Reimbursement Expected?	Accounting Treatment
Method A	Sold Currency (Gift Certificates, EBT)	Yes	No	Liability (2000s)
Method B	Promotional Coupon (Market Bucks, Giveaways)	No	No	Expense (5000s)
Method C	Reimbursable Match (SNAP Match, Grant-funded)	No	Yes	Receivable (1000s)

Action Lab — Implementation Commitment

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Next week, I will take the following action to strengthen the financial system at my market:

Consider these questions as you write:

- What is one specific, concrete action I can take?
- Is it within my control to implement?
- Can I realistically complete this in the next 7 days?

Optional: Share your commitment

If you feel comfortable, share this commitment with someone seated near you.

Strong financial systems are built one intentional decision at a time.