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CCMRA Fiscal Management Policy

CCMRA Standing Procedure 05

DRAFT 2023

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CHRISTIAN COUNTY MRA

CCMRA Fiscal Management Policy

- A. **Philosophy.** The purpose of financial management in the operation of all CCMRA activities is to fulfill the organization's mission in the most effective and efficient manner and to remain accountable to stakeholders, including members, partners, funders, and the community. In order to accomplish this, the CCMRA commits to providing accurate and complete financial data for internal and external use by the Board of Directors.
- B. **Authority.** The Board of Directors is ultimately responsible for the financial management of all activities. The Treasurer is authorized to act on the Board's behalf on financial matters when action is required in advance of a meeting of the Board of Directors.
- The Treasurer is responsible for the day-to-day financial management of the organization. The Board authorizes the Treasurer to pay bills, receive funds, and maintain bank accounts.
 - The Board President and Treasurer is authorized to sign checks up to \$500.00. Checks for amounts greater than \$500.00 shall require approval by the Board of Directors.
 - The Board President is authorized to enter into contracts for activities that have been approved by the Board as a part of budgets or plans. The Board of Directors must authorize any contracts outside of these parameters and all contracts with a financial value greater than \$500.
 - The Board President is authorized to manage expenses within the parameters of the overall approved budget, reporting to the Finance Committee (need to establish) on variances and the reason for these variances.
 - The Board of Directors must approve any use of the board designated cash reserve fund.
- C. **Responsibilities.** The Board of Directors shall:
- Account for donor restricted and board designated funds separately from general operating funds, and clearly define the restrictions applicable to these funds.
 - Report the financial results of CCMRA operations according to the schedule established by the Finance Committee, but at least quarterly.
 - Pay all obligations and file required reports in a timely manner.
 - Make no contractual commitment for bank loans, corporate credit cards, or for real estate leases or purchases without specific approval of the membership.
 - Record fixed assets with purchase prices greater than \$500 as capital assets in accounting records.
 - Depreciation of capital assets will not exceed five years for furniture and equipment or three years for computer and other technological equipment, if any.
 - Limit vendor credit accounts to prudent and necessary levels.
 - Obtain competitive bids for items or services costing in excess of \$1,000 per unit. Selection will be based on cost, service, and other elements of the contract.
 - The CCMRA may award the bid to any provider and is not required to accept the lowest cost proposal.
 - Review financial reports at each board meeting.

- Provide adequate training to members to enable each member to fulfill his or her financial oversight role.
- Financial Transactions with Insiders
- No advances of funds to members, officers, or directors are authorized. Direct and necessary expenses including travel for meetings and other activities related to carrying out responsibilities shall be reimbursed when funds are available.
- In no case shall the CCMRA borrow funds from any member, officer, or director of the organization without specific authorization from the Board of Directors.

D. **Budget.** In order to ensure that planned activities minimize the risk of financial jeopardy and are consistent with board-approved priorities, long-range organization goals, and specific five-year objectives, the Board President shall:

- Submit operating and capital budgets to the Finance Committee in time for reasonable approval by the Board prior to each fiscal year.
- Use responsible assumptions and projections as background, with the general goal of an unrestricted surplus.

E. **Gift Acceptance.**

- The CCMRA will accept stock or other negotiable instruments as a vehicle for donors to transfer assets to the organization. Transfer and recording the value of the asset shall be done in a consistent manner and in compliance with accounting standards. The Board of Directors shall sell any stock given to the organization immediately upon receipt by the organization.
- The CCMRA shall accept contributions of goods or services other than cash that are related to the programs and operations of the CCMRA. Any other contributions of non-cash items must be reviewed and approved by the Board of Directors before acceptance.

NOTE: See the CCMRA Gift Acceptance Policy for more detail.

F. **Asset Protection.** In order to ensure that the assets of the CCMRA are adequately protected and maintained, the Board of Directors shall:

- Insure against theft and casualty losses to the organization and against liability losses to Board members, staff, or the organization itself to levels indicated in consultation with suitable professional resources.
- Plan and carry out suitable protection and maintenance of property, building, and equipment, if any.
- Avoid actions that would expose the organization, its board, or its members to claims of liability.
- Protect intellectual property, information, and files from unauthorized access, tampering, loss, or significant damage.
- Receive, process, and disburse funds under controls that are sufficient to maintain basic segregation of duties to protect bank accounts, income receipts, and payments.

Initial policy adopted mm/dd/yyyy.

Signature of Board President:

Revision History by the CCMRA Board

Revised and approved: mm/dd/yyyy.

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