

# FINANCIAL POLICY

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## **PHILOSOPHY**

The purpose of financial management in the operation of all BRP activities is to fulfill the organization's mission in the most effective and efficient manner and to remain accountable to stakeholders, including clients, partners, funders, employees, and the community. In order to accomplish this, BRP commits to providing accurate and complete financial data for internal and external use by the Executive Director and the Board of Directors.

## **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 Executive Director is responsible for the day-to-day financial management of the organization. The Board authorizes the Executive Director to hire and supervise staff and independent consultants, pay bills, receive funds, and maintain bank accounts.

The Executive Director is authorized to sign checks up to \$10,000. Checks for amounts greater than \$10,000 shall require the signature of the Treasurer, Corporate Secretary, or Board Chair.

The Executive Director 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 \$10,000.

The Executive Director is authorized to manage expenses within the parameters of

the overall approved budget, reporting to the Board of Directors on variances and the reason for these variances.

The Board of Directors must approve any use of the board designed cash reserve fund (if any).

## **RESPONSIBILITIES**

The Executive Director 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 BRP operations according to schedule established by the board, but at least quarterly;

Pay all obligations and file required reports in a timely manner;

Make no contractual commitments for bank loans, corporate credit cards, or for real estate leases or purchases without specific approval of the Board;

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 technology equipment;

Limit vendor credit accounts to prudent and necessary levels; and,

Obtain competitive bids for items or services costing in excess of \$5,000 per unit. Selection will be based on cost, service, and other elements of the contract. BRP may award the bid to any provider and is not required to accept the lowest cost proposal.

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The Board of Directors shall:

Review financial reports at each board meeting; and,

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 employees, officers, or directors are authorized. Direct and necessary expenses include reasonable travel for meetings and other activities related to carrying out responsibilities shall be reimbursed.

In no case shall BRP borrow funds from any employee, officer, or director of the organization without specific authorization from the Board of Directors.

## **BUDGET**

In order to ensure that planned activities minimize the risk of financial jeopardy and are consistent with board-approved priorities, long-range organizational goals, and specific five-year objectives, the Executive Director shall:

Submit operating and capital budgets to the Board of Directors 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.

Notify the board within a reasonable amount of time when the budget has been exceeded by more than 10%.

## **GIFT ACCEPTANCE**

Acceptance of any contribution, gift, or grant is at the discretion of BRP. BRP will not accept any gift unless it can be used or expended consistently with the purpose and mission of the organization.

No irrevocable gift, whether outright or life-income in character, will be accepted if under any reasonable set of circumstances the gift would jeopardize the donor's financial security.

BRP will refrain from providing advice about the tax or other treatment of gifts and will encourage donors to seek guidance from their own professional advisors to assist them in the process of making their gift.

BRP 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 Executive Director shall sell any stock given to the organization immediately upon receipt by the organization.

BRP shall accept contributions of goods or services other than cash that are related to the programs and operations of BRP. Any other contributions of non-cash items must be reviewed and approved by the Board of Directors before acceptance.

BRP will provide acknowledgements to donors meeting IRS substantiation requirements for property received by the charity as a gift; however, except for gifts of cash and publicly traded securities, no value shall be ascribed to any receipt or other form of substantiation of a gift received BRP.

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BRP will respect the intent of the donor relating to gifts for restricted purposes and those relating to the desire to remain anonymous. With respect to anonymous gifts, BRP will restrict information about the donor to only those staff members with a need to know.

BRP will not compensate, whether through commissions, finders' fees, or other means, any third party for directing a gift or a donor to BRP.

## **ASSET PROTECTION**

In order to secure that the assets of BRP are adequately protected and maintained, the Executive Director shall:

Insure against theft and casualty losses to the organization and against liability losses to the 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;

Avoid actions that would expose the organization, its board, or its staff to claims of liability;

Protect intellectual property, information, and files from unauthorized access, tampering, loss, or significant damage; and,

Receive, process, and disburse funds under controls that are sufficient to maintain basic segregation of duties to protect bank accounts, income receipts, and payments.

## **TRAVEL REIMBURSEMENT**

It is the policy of BRP to provide reimbursement for employees and volunteer board members for pre-approved travel related expenses, including transportation,

hotels, and food. These expenses must be reasonable and necessary, as well as job-related, and must be pre-approved in writing by the Executive Director, for employees, and the Board of Directors for the Executive Director and directors.

BRP will only reimburse for pre-approved travel related expenses when the employee provides documentation of the expense with receipts from purchases or other verifiable documentation.

Employees seeking reimbursement must complete the Travel Reimbursement Request form. The form must be fully and accurately completed, and submitted to the Executive Director. All receipts should be scanned/attached and submitted with the form.

Local travel will be reimbursed through petty cash in accordance with applicable petty cash policies and procedures. This includes reimbursement for transportation by taxi and/or public transportation, and, when pre-approved, use of an employee's personal automobile.

BRP will reimburse employees for the use of their personal automobile in accordance with the federally approved mileage rate for business use of personal vehicles.

Reimbursement of meals when there is no overnight travel should be paid by the organization only when the meal has a defined business purpose.

For out-of-area travel, BRP will reimburse all pre-approved travel related actual costs, such as hotel accommodations, transportation to and from the destination, including airline, train or bus tickets, taxicab fares, meals and gratuities etc. A per diem amount limited to the federally approved per diem limits will be provided to employees for any overnight business travel, except as reasonably

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necessary to fulfill the purpose of the business travel, and then only with prior approval from the Executive Director. Employees and volunteers should travel at the lowest available airfare to accommodate the purpose of the business trip.

Approved by the Board of Directors on  
October 24, 2017