

# **TANGO COLORADO, INC. FISCAL POLICIES AND PROCEDURES**

## **SECTION 1 – FINANCIAL RECORDS AND REPORTING**

- 1) Tango Colorado's fiscal period begins January 1 (12:01 am MST) and ends December 31.
- 2) Financial records of the organization shall be maintained on an accrual basis of accounting in accordance with generally accepted accounting principles (GAAP).
- 3) All financial records of the organization are to be properly maintained in a locked cabinet or area with limited access by only fiscal staff (Treasurer, Finance Committee, etc.) and the President. Electronic data records are to be kept and maintained in a proprietary database managed by the Treasurer or the President.
- 4) On a monthly basis, the Treasurer will reconcile the bank accounts and prepare and update Accounts Payable report. Outstanding Accounts Payable will be discussed by the President and Treasurer and authorize such payments.
- 5) The accounting system should be continuously maintained and set to systematically record, summarize, and report all financial transactions of the organization. The system is designed so that all aspects of Tango Colorado's operations are included in the system.
- 6) Effective control and accountability are to be maintained for all assets of the organization, including cash, investments, fixed assets, and other assets. Tango Colorado must adequately safeguard all assets of the organization and assure that all assets are used for authorized purposes.

## **SECTION 2 – CASH DISBURSEMENTS**

- 1) All disbursements are to be made by issuing checks or standard banking services drawn on the established cash accounts. On occasion, when cash payments are to be made, an officer, or a specifically designated person, will authorize the transaction and submit the proper documentation.
- 2) A Cash Box balance amount of \$250 will be maintained in the admissions cash box and balanced weekly.
- 3) Where appropriate, a request for disbursement must be supported by original documentation that justifies the purpose of the disbursement and is attached to the request.
- 4) Authorized check signers must be re-affirmed annually by the Board of Directors. Currently, the authorized check signors are the President and the Treasurer.
- 5) Expense reports from the Treasurer must be approved by the President. Expense reports from all other Directors must be approved by the Treasurer.

## **SECTION 3 – PURCHASE AND CONTRACTS**

- ~~1) All purchases over \$250 must be pre-approved by a resolution of the Board of Directors.~~
- 2) The Board of Directors must approve or specifically authorize an officer of the Board to enter into a contract, lease, or commitment for the organization.

- 3) The organization will obtain and document at least three competitive bids for all purchases of goods and services greater than \$1000. All bids must be documented prior to a vote by the Board of Directors.

#### **SECTION 4 - CASH ADVANCES OR OTHER PAYMENTS TO STAFF**

- 1) The organization will reimburse staff for reasonable business expenses incurred in connection with the business of the organization that have been properly approved and are submitted for payment with proper documentation.

#### **SECTION 5 – PAYMENTS TO BOARD OF DIRECTORS**

- 1) No compensation will be paid to any member of the Board of Directors for services as a member of the Board. Reasonable expenses may be allowed for attendance at regular or special meetings of the Board or committees thereof as approved by the Board.
- 2) Board members may be reimbursed for reasonable travel expenses submitted in writing within 30 days of attendance at a Tango Colorado board of directors meeting, or committee thereof. Reasonable travel expenses include mileage reimbursement to be paid at the prevailing IRS approved rate for round-trip mileage (in excess of 75 miles).
- 3) The President or Treasurer will approve all payments in advance of reimbursement. Reimbursement will be made within 15 (fifteen) days of submission for reimbursement.
- 4) No loans will be made to any member of the Board of Directors.

#### **SECTION 6 – CASH RECEIPTS AND DEPOSITS**

- 1) Cash receipts are to be logged for each Tango Colorado event
- 2) Deposits are to be made as soon as possible, but not longer than a week after the event.
- 3) All funds received by the organization will be deposited in a timely manner to the credit of the organization in a financial institution that the Board of Directors has authorized, provided however, that each institution in which funds are deposited must be an institution where such deposits are insured by an agency of the federal government.
- 4) Procedures are to be in place to identify, evaluate, and to determine the acceptance of restricted contributions. Acceptance of unusual non-cash donations, such as charitable lead trusts, perpetual trusts held by third parties, charitable remainder trusts, charitable gift annuities, pooled income funds and donations of land, property, partnership interests, assets subject to lien, etc. need prior approval by the Board of Directors.
- 5) All contributions should be acknowledged in writing within ten business days of receipt.
- 6) As a general rule, all stock gifts should be liquidated within ten business days of receipt. Any exceptions must be approved by the Treasurer or President.
- 7) Cashing of checks out of currency receipts is prohibited, and no checks are to be made payable to "Cash."

## **SECTION 7 - FINANCIAL PROJECTION**

- 1) An annual Financial Projection will be presented to and approved by the Board of Directors at the Board's first official meeting of each fiscal year.
- 2) The actual operating results of the organization will be compared to the Financial Projection on a monthly basis. Significant variances will be discussed by the Board of Directors. Additionally, the current Financial Projection will be compared to the previous year's budget and expenditures for the same time period.
- 3) The President and/or Treasurer may approve changes to the Financial Projection, without Board approval provided the proposed change does not result in a change of more than 10% (plus or minus) from the Financial Projection.

## **SECTION 8 – OPERATING FUND & RESERVE / INVESTMENTS-FUND**

- 1) At the beginning of the Fiscal Year an Operating Fund will be set at a local financial institution for conducting day to day business transactions. The combined amount of savings and checking account should be same or less than the combined checking and savings amount from the previous ending Fiscal Year. In the event that it is determined that funds are insufficient and need to be increased, please refer to paragraph 3. Reserve/Investment Fund of this Section.
- 2) At a reasonable date by the end of the Fiscal Year amounts exceeding the set Operating Fund will be determined and decisions on contributions to a Reserve/Investment fund and the type of investment will be made and executed at that time.
- 3) A Reserve/Investment Fund consisting of CD's and any other investment instrument will be maintained. These funds may not be liquidated without a vote from the Tango Colorado Membership. A current balance of these funds will be recorded quarterly in the Treasurer's report to the Board of Directors.

## **SECTION 9 – CONFLICT OF INTEREST POLICY**

- 1) Tango Colorado will adhere to the current laws governing Colorado 501c3 non-profit corporations regarding conflict of interest.
- 2) Tango Colorado will not enter into contracts or transactions with any individual or other corporation, partnership, association, or other organization in which its directors are directors, officers, or have financial interest (there is potential conflict of interest) without prior approval by an affirmative vote of a majority of disinterested directors.

Policy adopted by resolution of Board of Directors December 10, 2018.