

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

### **SECTION 1.1 – FINANCIAL RECORDS AND REPORTING**

- Tango Colorado's fiscal period begins January 1 and ends December 31.
- Financial records of the organization shall be maintained on an accrual basis of accounting in accordance with generally accepted accounting principles (GAAP).
- 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.
- On a monthly basis, the bookkeeper will reconcile the accounts receivable detail ledger to the general ledger, and the bank reconciliation to the general ledger.
- The accounts receivable detail ledger will be reviewed monthly to determine that the balances are appropriate. Amounts that are owed to members will be refunded. The bookkeeper will give the Accounts Receivable detail ledger to the Treasurer on a monthly basis, prior to the monthly scheduled Board meeting, for review.
- The purpose of the accounting system is to systematically record, summarize, and report all financial transactions of the organization. The system shall be designed so that all aspects of Tango Colorado's operations are included in the system.
- Effective control and accountability is 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 2.1 – CASH DISBURSEMENTS**

- 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.
- A Cash Box balance amount of \$200 will be maintained in the admissions cash box and balanced weekly.
- 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.
- Authorized check signers must be re-affirmed annually by the Board of Directors. Currently, the authorized check signers are the President and the Treasurer.

Expense reports from the Treasurer must be approved by the President. Expense reports from all other Directors must be approved by the Treasurer.

### **SECTION 3.1 – PURCHASE AND CONTRACTS**

All purchases over \$250 must be pre-approved by a resolution of the Board of Directors, or have been previously approved by inclusion within the budget.

Unbudgeted purchases greater than 10% over the line item on the budget require prior authorization by the Treasurer.

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 that is longer than one year and/or over \$3,000.

The organization should obtain and document at least three competitive bids for all purchases of goods and services greater than \$1000.

### **SECTION 4.1 – CASH ADVANCES OR OTHER PAYMENTS TO STAFF**

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 5.1 – PAYMENTS TO BOARD OF DIRECTORS**

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.

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 includes mileage reimbursement to be paid at the prevailing IRS approved rate for round-trip mileage (in excess of 75 miles).

The President or Treasurer will approve all payments in advance of reimbursement. Reimbursement will be made within 15 days of submission for reimbursement.

No loans will be made to any member of the Board of Directors.

### **SECTION 6.1 – CASH RECEIPTS AND DEPOSITS**

Cash receipts are to be logged into a designated “Event Attendance Log.”

Deposits are to be made as soon as possible, but not longer than a week after the event.

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.

- 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 finance committee.
- All contributions should be acknowledged in writing within ten business days of receipt.
- 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.
- Cashing of checks out of currency receipts is prohibited, and no checks are to be made payable to "Cash."

## **SECTION 7.1 – BUDGET**

- An annual operating and capital budget will be presented to and approved by the Board of Directors at the Board's first official meeting of each fiscal year.
- The actual operating results of the organization will be compared to the budget on a monthly basis and significant variances explained by management to the Board of Directors.
- The President and/or Treasurer may approve changes to the operating and capital budget without Board approval provided the proposed change does not result in a change of more than 10% (plus or minus) from the approved budget.

## **SECTION 8.1 – OPERATING RESERVE AND INVESTMENTS**

- Tango Colorado will maintain a separate "Operating Reserve and Investment Policy." The current reserve limit has been set at \$30,000.

## **SECTION 9.1 – CONFLICT OF INTEREST POLICY**

- 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 February 10, 2014.