

TMLA Treasurer Policy and Procedures

Introduction

During the past years TMLA has accumulated in excess of \$250,000 in cash as the result of member donations and a few large gifts.

Because of the size of these cash assets, TMLA officers and directors, as stewards of TMLA funds, have developed the following policies and procedures for managing them.

Policy

TMLA will establish procedures for the receipt, disbursement, and investment of funds. The procedures shall be designed such that they provide for the safeguarding of these funds while also providing necessary resources for the TMLA and committees. These procedures shall also be designed such that they will provide a sufficient framework for periodic audits.

Responsibility

As specified in our by-laws, Article IV, Section 4, the Treasurer shall have general charge of the finances of the Corporation. That includes all daily financial activity and investment responsibility. The Treasurer shall have the authority to appoint a subcommittee to assist with specific tasks within the scope of the Treasurer's responsibilities. Any such committee's duties shall be well defined and its members shall be approved by the Board of Directors of the Association. The Treasurer, with the Board's approval, may also eliminate or change a committee if it is decided that a different structure would better serve the needs of the Association or if the Treasurer determines that the committee is no longer needed.

Procedures

Sources of Funds

Member Dues, Memorials and Undesignated Gifts

The primary continuing sources of funds are annual member dues and undesignated gifts. These funds are generally either submitted in person to the Membership Coordinator at the Annual Meeting or mailed to the TMLA post office box in Hackensack and retrieved by the Membership Coordinator.

The Membership Coordinator maintains records of which members have paid their dues or given an undesignated gift for each fiscal year. The Membership Coordinator deposits all receipts into the TMLA local checking account or wherever the Treasurer designates that the deposits should be placed. The Membership Coordinator separates the received amounts into dues and undesignated gifts and reports the information to the Treasurer. The Treasurer sees that the receipts are transferred to the appropriate accounts. For example all dues are deposited to the TMLA general account and the gifts are deposited in the JWSEPF account.

Memorials and other undesignated gifts received during the year are processed in a similar manner. If someone other than the Membership Coordinator receives dues, gifts or memorials they will give them to the Treasurer who will deposit it in the correct account.

Designated Gifts, Large Funds, and Land

All designated gifts must be reported to the Board of Directors who will determine if the gifts can be used as designated. Designated gifts are accepted or rejected by the Board of Directors and the Treasurer processes them as directed by the Board of Directors.

Endowment Funds, Named Endowment Funds, and Land Contributions are processed in accordance with the Gifting Policy, established in 2007.

The Treasurer is responsible for accounting for gifts of land and for property owned by TMLA.

Expenditure of Funds

Expenses typically come from real estate taxes, liability insurance for TMLA land, and budgeted expenses by the standing committees. From time to time special projects or initiatives also require funding. Before payment, all non-budgeted expenses must be approved by the Board. The Treasurer will not pay for any expense without an invoice.

Committee Expenses

Before payment all expenses incurred must have been previously budgeted and approved by the Board. Invoices for all committee expenses must be reviewed and approved by the Committee Chair or designated committee member before being submitted to the Treasurer for payment.

The Committee Chair will be responsible for determining whether a submitted expense is within his/her current budget. Should a submitted invoice exceed that committee's budget, it will not be paid until approved by the Board of Directors.

Other Expenses

Before payment all invoices are required to have Board approval. Expenses submitted directly to TMLA, e.g., real estate taxes, insurance, etc., shall be reviewed and signed by the President before being submitted to the Treasurer for payment.

Likewise, invoices for goods or services which specified TMLA members are authorized to use, shall be reviewed and approved by the President or Committee Chair before being submitted to the Treasurer for payment.

Investment of Funds

Management of the investment accounts shall be the responsibility of the Treasurer who shall adhere to the Investment Policy approved by the Board in 2008.

Reporting

The Treasurer shall make reports to the Board of Directors at regular meetings and a full report to the general membership at the TMLA Annual Meeting.

Budgeting

The Treasurer shall work with the Officers and Committee Chairs to establish annual budgets and to monitor expenditures against those budgets. The Treasurer will assemble those budget requests and present the TMLA budget for the following fiscal year for Board approval. Typically the budget for the following fiscal year will be presented to the TMLA Board for approval at the regular September board meeting. Variations in progress against those budgets shall be brought to the attention of the Board for review as soon as they are recognized.

Preservation of Capital

Unless specific action to reduce capital is taken by the board, annual budgeted expenses shall not exceed projected income for the following fiscal year. This projected income will consist of expected dues and donations and income available from Ten Mile Lake, Named Funds and JWSEPF investment funds. Investment funds restrictions are described in Appendix 1 to this document.

TMLA Funds Policies and Procedures

Appendix 1

Investment Funds Restrictions

These funds are currently held at Wells Fargo Bank, Mpls; Nick Mellby Administrator

Ten Mile Lake Association Fund

- No restrictions
- For budgeting purposes, use interest/dividends earned during the previous fiscal year

James W. Schwartz Environmental Protection Fund (JWSEPF)

- 10% of fund's value at the end of each fiscal year is available for the general fund
- Spending over 10% of the fund value requires approval of 2/3's of the Board of Directors

Richard G. Garbisch Fund

- Consists of \$90,000 Principal. All earnings are transferred out of the fund at the end of each fiscal year.
- Use of the Principal requires approval of the Donor's Representative and the Board of Directors
- Administration of earnings from this fund is the responsibility of the Conservation Committee, of which the Donor's Representative is a member (approved by the Directors at the May, 2007 meeting). However, any expenditure of these earnings must have Board approval.