

Number: IV 008

Subject: Financial Conditions and Activities

Approval Date: April 28, 2008.

Effective Date: April 28, 2008.

Revised: April 26, 2010

Policy Statement:

With respect to the actual, ongoing financial condition of the organization, the CEO shall not cause or allow the development of fiscal jeopardy or a significant deviation of actual expenditures from board priorities established in the approved budget.

Further, without limiting the scope of the foregoing, the CEO shall not:

1. Expend more funds than have been received in the fiscal year to date or incur debt unless the debt can be repaid by certain, otherwise unencumbered revenues within 90 days
2. Operate with a line of credit of more than \$30 million
3. Use any reserves
4. Allow payroll obligations to be unsettled or untimely
5. Allow tax payments or other government ordered payments or filings to be overdue or inaccurately filed
6. Allow debts to be unpaid beyond a reasonable period of time or in such a way as to jeopardize the organization's ability to receive trade credit, damage its credit-worthiness, or diminish its reputation in the trades or in the community
7. Allow receivables to go uncollected beyond a reasonable period of time without aggressively pursuing their collection
8. Acquire, encumber or dispose of real property
9. Enter into any financial agreements over 5 years
10. Enter into any grant or contract arrangements unless it primarily emphasizes the production of Ends and secondarily, the avoidance of unacceptable means
11. Permit fundraising/sponsorship activities without procedures in place.