

# Financial policies

## Chapter 6 Standing Committees

### 6.01 Conference

#### 6.011 Duties

6.0111 Plans and executes the program for the annual meeting. The Chairperson and/or the Chair's representative works in close cooperation with the President.

6.0112 The Chairperson is appointed by the President with the approval of the Executive Board. The Conference Committee shall have a flexible number of members depending on need. [The President shall be a member of the Conference Committee with the specific responsibility of providing liaison between the OLA Executive Board and the Conference Committee.](#)

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### 6.05 Finance/Investment Committee

#### 6.051 Duties

6.0511 The Finance/Investment Committee reviews all fiscal policies and procedures, responding to direction from the Executive Board.

6.0512 The Committee serves as the consulting body for the Treasurer, the Executive Board, and the Association Manager in such areas as Association investments, the budget, and other financial concerns of the Association.

6.051 The Finance/Investment Committee is an administrative committee which consists of the OLA Treasurer, the OASL Treasurer, and a minimum of four other members drawn from the Executive Board and outside members with investing interest/background. Committee members are appointed to two-year, staggered terms. The President and the Association Manager serve as *ex-officio*, non-voting members.

#### [6.052 Chair](#)

[6.0521 The OLA Treasurer shall act as Chair of the Finance/Investment Committee.](#)

## Chapter 9 Fiscal Policy and Procedures

### 9.01 General Fiscal Principles

9.011 *Fiscal year:* The fiscal year of the Oregon Library Association is September 1 to August 31.

9.012 *Method of accounting:* The day-to-day records of the Association shall use the cash method of accounting.

9.013 *Internal financial reports:* Designated financial reports outlining operational expenses shall be provided monthly to the OLA unit chairs and executive committee members with designated grant authority.

9.014 *Lobbying:* The Association shall ensure that expenses for lobbying and political activities do not exceed the limit for 501(c)(3) organizations set by the Internal Revenue Service.

9.015 This fiscal policy should be reviewed annually by the OLA Treasurer and the Finance/Investment Committee.

## **9.02 Budget Development, Review, and Approval**

9.021 In collaboration with the OLA Vice President/President-Elect and the Association Manager, the Treasurer submits the budget for the Executive Board's initial review at the last Executive Board meeting of the fiscal year. In preparing the budget, the Association Manager reviews the financial needs of the organization, taking into consideration the priorities of the Association's strategic plan and the budget proposals submitted by the organization's unit chairs, officers, and the OLA President.

9.022 All activities and events sponsored by the Association or its units must be planned as cost-recoverable. Activities that do not comply with this guideline must be approved by the Executive Board.

9.023 Budget revisions must be approved by the Executive Board.

9.024 *Division/Round Tables/Committee Operations -- Expenditures & Reimbursements:* OLA units independently budget for basic annual operations.

## **9.03 General Reimbursement & Billing Policies**

9.031 The Association will reimburse only expenses that have been officially approved by the Executive Board through its annual budget. Members cannot incur a program expense without the prior approval of the appropriate person.

9.032 OLA unit officers may enter into a contractual agreement or incur vendor expense for unit activities without the approval of the OLA office.

9.033 *Reimbursable expenses:* The following expenses incurred on approved Association business, including participation as an Executive Board member or committee member, may be reimbursed upon receipt of the approved voucher.

9.0331 *Transportation*

1. Public transportation: Actual cost of coach fares on airlines, buses, railroads, or cab fares with reasonable tip will be reimbursed. If the most expensive means of transportation is utilized, the expense must be pre-approved by the division or conference chair hosting the meeting. When available, members are expected to use an airport limousine or bus rather than private taxi. Baggage handling, tolls, parking fees, and other necessary tips are reimbursable.
2. Private automobiles: The mileage rate will be set by the OLA Executive Board. Mileage payment shall not exceed the cost of public transportation when the latter is a reasonable alternative. When two or more people travel in the same vehicle, only one shall claim mileage.
3. Rental cars: Rented vehicles shall be used only when no other form of transportation is available or in cases where use by more than one person results in a savings over other available transportation.

9.0332 *Housing:* Actual costs will be reimbursed when required by a two-day Association activity (including travel time). Baggage handling tips are reimbursable. Members are expected to use the least expensive accommodations whenever possible. First priority for hotel complimentary rooms at the OLA Annual Conference will be given to the OLA President, keynote/banquet speakers, and conference chairs. The Conference Chair may assign additional complimentary rooms upon consultation with OLA President.

9.0333 *Food:* For day events, no overnight stay, food expenses are not reimbursable by the Association unless the meal price is included in the cost of the activity. An exception is the expense of meal tickets for each Association award winner and a guest at an Association-wide function. For travel where overnight stay is required, and approved by the Executive Board, meals will be reimbursed based on amount expended, not to exceed the IRS reimbursable rates. [The Association does not reimburse expenses for alcoholic beverages.](#)

9.0334 *Special Expenses:* The cost of certain miscellaneous expenses may be allowed. For example, costs for a room rented for official business and telephone calls on official business may be reimbursable.

9.034 *Payment of Bills, Contracts, and Other Expenses:* Bills are paid within thirty days of receipt. Checks in payment of vouchers and bills are issued semimonthly.

9.035 *Activities -- Expenditures and Reimbursements:* All expenditures/reimbursement of expenses related to Association activities, such as

workshops, publications, or surveys, must be approved by unit chair prior to payment.

#### *9.036 Honoraria and Fees*

9.0361 Association members are not paid honoraria or fees for work performed for the Association. Speaking engagements or workshop presentations are examples of service to the Association in the same manner as assuming a leadership role within the Association or committee work.

9.0362 Exceptions may be made in advance with the approval of the Executive Board. An exception may be granted if a member's contribution is clearly and specifically related to recognized professional expertise outside the work of the Association. If an Association member's library is recognized on a national level and the expectation of a fee or honorarium is customary, an exception may also be approved by the Executive Board.

*9.037 Expenses for Attending External Conferences:* The Association will support the attendance of the American Library Association Councilor to the ALA Midwinter Meeting and Annual Conference up to budgeted amount and of the OLA Vice President/President-Elect to Library Legislative Day and the ALA Annual Conference up to the budgeted amount. The Association will budget annually appropriate amounts for covering the expenses when the budget is prepared. Reimbursement for transportation, lodging, and food will be based on the OLA Fiscal Policy and Procedures.

#### **9.04 Bank Accounts and Assets**

9.041 The Association shall maintain at least two months operational expenses in a readily accessible account from which withdrawal may be made without penalty. A six month operating reserve of relatively liquid investment to back up the cash on-hand will be maintained.

9.042 The remainder of all Association assets shall be invested according to short-, mid- and long-term accounts as determined by the OLA Treasurer, Finance/Investment, and financial consultant(s) if hired.

9.043 All operational cash receipts shall be deposited in an Association bank account and credited to the appropriate ledger account, which is reviewed by the OLA Treasurer.

9.044 Internal controls

9.0441 Withdrawal or transfer of funds from the Association savings/investment account(s) will require two signatures from the OLA President, OLA Treasurer and/or Association Manager

9.0442 Checks drawn on the Association checking account require the signature of the Association Manager, OLA Treasurer, President, or Vice President/President-Elect. Checks in excess of \$500 or made payable to the Association Manager, Treasurer, President, and Vice President/President-Elect require two signatures.

#### 9.045 Annual Net Income/Loss

9.0451 Should income for the fiscal year prove to be a net income instance, those monies will be invested as determined by the Finance/Investment Committee and approved by the Executive Board.

9.0452 Should income for the fiscal year prove to be a net loss instance, monies from unrestricted net assets will be used to balance the fiscal year and replenish operations bank account.

#### 9.046 Unrestricted Net Assets

9.0461 It shall be the goal of the Association to build and maintain unrestricted net assets which, at the end of a given year, are equal to a minimum of fifty percent (50%) of the Association's total budgeted expenses for the following year. These monies shall constitute OLA's operating reserve and shall be used to provide for temporary cash flows exigencies as well as to meet unexpected or emergency needs that severely impair the Association's ability to operate.

9.0462 The following categories of funds shall neither be counted as part of the Association's operating reserve nor in any way affect the annual determination of how large the reserve should be: cash awards conferred or bestowed on the basis of merit; cash contributions given for a special or extraordinary purpose; Enterprise Fund accounts; grants which fund special projects; and the OLA and OASL investment principals.

9.0463 Unrestricted gifts, which have not been designated for use by the Executive Board within twelve months of receipt, shall be transferred to the Association's appropriate investment as determined by the Finance/Investment Committee.

9.0464 A complete record of all investments, including bank or other holding agency, amount of investment, account number or other identification, interest rate, maturity date, conditions for withdrawal, and other pertinent information shall be on file in the Association Manager's office.

### **9.05 Credit Card**

9.051 The Association Manager is authorized to apply for a credit card in the name of the Association from the Association's official bank. Association credit cards are subject to the following restrictions and controls:

9.0511 Only the following individuals shall be listed on the credit card agreement as authorized users: Association Manager, OLA President, and OLA Treasurer

9.0512 The Association credit card shall only be used for transactions in which writing a check in advance of the order is either impossible or would result in a delay in the delivery of goods or services during a time of emergency. The Association credit card may also be used to facilitate travel for official Association business. Any use of the credit card shall be done in accordance with the Association's Fiscal Policy and Procedures.

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9.0513 Use of the Association credit card to charge any personal purchases is strictly prohibited, regardless of whether the individual intends to reimburse the Association for the purchase.

9.0514 Any individual authorized to use the Association credit card shall submit to the Association Manager original receipts for all purchases made with the card as soon as practical after the purchase is made and a receipt received. Each month the Association Manager shall reconcile the receipts submitted with the monthly credit card statement to ensure proper card usage.

9.0515 The Association Manager shall ensure that the credit card statement is paid in full each month so that no finance charges are incurred. Copies of each month's credit card statement shall be made available to the Executive Board upon request.

## **9.06 Records**

9.061 *Records retention:* The following books and records will be maintained by the Association as required by the Internal Revenue Service and other government agencies:

- Cash Receipts
- Cash Disbursements
- General Ledger
- General Journal
- Accounts Receivable
- Accounts Payable
- Membership Roster
- Investment Records

9.0611 Records retained permanently

- Annual Reports
- Articles of Incorporation

- Check Registers
- Bylaws and procedures
- Correspondence--legal/important matters only
- General Journals
- Tax Returns/Payment Checks
- Oregon Annual Reports
- Insurance Records
- Membership Rosters
- Minutes and Resolutions
- Newsletters
- Board & Annual Membership Policies & Procedures
- Publication Samples--current version

9.0612 Record retained for ten years

- Budgets
- Purchase Invoices
- General Ledgers

9.0613 Records retained for three years

- Correspondence--general
- Insurance Policies--after expiration
- Investment Records

9.0614 Records retained for one year

- Correspondence--routine

9.062 Taxes

9.0621 The Association Manager shall be responsible for meeting deposit and filing requirements of state, local, and federal agencies. These include:

1. Filing of annual information reports as a tax-exempt organization with the U.S. Internal Revenue Service.
2. Filing of all other forms pertinent to taxes.

9.0622 *Cash Awards/Honoraria*: A monetary award of \$600 or more to an Association member requires the Association Manager to submit a 1099-MISC tax form in the name of the award recipient.

**9.07 External Auditors**

9.071 The accounts and procedures of engagement of the Association shall be reviewed biennially by an accounting professional selected by the Executive Board.

9.072 The biennial review of the accounts and procedures of engagement report should be presented to the OLA Treasurer, OLA President, and the Association

Manager by an accounting professional. It will be the responsibility of the OLA Treasurer and the Association Manager to present the review report to the Finance/Investment Committee and the Executive Board.

9.073 The procedures of the engagement report will be reviewed by the Finance/Investment Committee, and any recommendations made to the Executive Board by the accounting professional will be addressed and appropriate action taken within the fiscal year. The procedures of engagement report shall include a review of the Association Manager's monthly reports, shall check compliance with regulatory agency requirements, shall attest to the reliability of the system's internal control, and shall attest to the efficiency of the Association Manager's office in administering the affairs of the Association.

## **9.08 Suspected Misconduct and Dishonesty**

### 9.081 Introduction

9.0811 Like all organizations, the Association is faced with the risks that come from wrongdoing, misconduct, dishonesty, and fraud. As with all business exposures, we must be prepared to manage these risks and their potential impact in a professional manner.

9.0812 The impact of misconduct and dishonesty may include:

The actual financial loss incurred

- Damage to the reputation of our organization and to our employees
- Negative publicity
- Cost of investigation
- Loss of members
- Damage to our relationship with our suppliers or contractors
- Litigation
- Decrease in membership morale

9.0813 The Association's goal is to establish and maintain an environment of fairness, ethics, and honesty for our members, officers, suppliers, and anyone else with whom we have a relationship. To maintain such an environment requires the active assistance of every officer every day.

9.0814 The Association is committed to the deterrence, detection, and correction of misconduct and dishonesty. The discovery, reporting, and documentation of such acts provides a sound foundation for the protection of innocent parties, the taking of disciplinary action against offenders up to and including dismissal where appropriate, the referral to law enforcement agencies when warranted by the facts, and the recovery of assets.

9.082 *Purpose:* The purpose of this policy is to communicate Association policy regarding the deterrence and investigation of suspected misconduct and

dishonesty by employees, officers, and others, and to provide specific instructions regarding appropriate action in case of suspected violations.

#### 9.083 Definition of Misconduct and Dishonesty

9.0831 Misconduct and dishonesty include but are not limited to:

- Theft or other misappropriation of assets, including assets of the organization, our customers, suppliers, or others with whom we have a business relationship.
- Misstatements and other fraud in our organization's records, including intentional misstatement of the financial position or results of operations.
- Forgery or other alteration of documents
- Fraud, including misappropriation of assets, and other unlawful acts
- Other wrongdoing

9.0832 The Association specifically prohibits these and any other illegal activities in the actions of its officers and others responsible for carrying out the Association's activities.

#### 9.084 Reporting

9.0841 It is the responsibility of every officer or others responsible for carrying out the Association's activities to immediately report suspected misconduct or dishonesty to the OLA President [or a member of the Finance/Investment Committee](#). Any reprisal against any officer or other reporting individual because that individual, in good faith, reported a violation, is strictly forbidden.

9.0842 Due to the important yet sensitive nature of suspected violations, effective professional follow-up is critical. Officers, while appropriately concerned about "getting to the bottom" of such issues, should not in any circumstances perform any investigative or other follow-up steps on their own. Concerned, but uninformed, officers represent one of the greatest threats to proper incident handling. All relevant matters, including suspected but unproven matters, should be referred immediately to the OLA President [or a member of the Finance/Investment Committee](#) for follow-up.

#### 9.085 Responsibility and authority for follow-up and investigation

9.0851 The Finance/Investment Committee has the primary responsibility for all investigations involving fiscal misconduct and dishonesty. The committee may request the assistance of the accounting professionals, including review of the accountant's biennially examinations and evaluations of internal controls.

9.0852 The Finance/Investment Committee will have:

- Free and unrestricted access to all records.
- The authority to examine, copy, and/or remove all or any portion of the

record content from files, desks, cabinets, and other storage facilities (whether in electronic or other form) without the prior knowledge or consent of any individual who might use or have custody of any such items or facilities when it is within the scope of investigative or related follow-up procedures.

9.0853 All investigations of alleged wrongdoing will be conducted in accordance with applicable laws and OLA's Fiscal Policy and Procedures.

9.086 Reported incident follow-up procedure

9.0861 Care must be taken in the follow-up of suspected misconduct and dishonesty to avoid acting on incorrect or unsupported accusations, to avoid alerting suspected individuals that follow-up and investigation is underway, and to avoid making statements that could adversely affect the Association, officer, or other parties. Accordingly, the general procedures for follow-up and investigation of reported incidents are as follows:

1. Officers and others must immediately report all factual details as indicated above under Policy and Responsibilities.
2. The Finance/Investment Committee has the responsibility for follow-up and, if appropriate, investigation of all reported incidents.
3. All records related to the reported incident will be retained wherever they reside.
4. Do not communicate with the suspected individuals about the matter under investigation.
5. In appropriate circumstances and at the appropriate time, the Finance/Investment Committee will notify the Association Manager.
6. The Finance/Investment Committee may also obtain the advice of legal counsel at any time throughout the course of an investigation or other follow-up activity on any matter related to the report, investigation steps, proposed disciplinary action, or any anticipated litigation.
7. Neither the existence nor the results of investigations or other follow-up activity will be disclosed or discussed with anyone other than those persons who have a legitimate need to know in order to perform their duties and responsibilities effectively.
8. All inquiries from an attorney or any other contacts from outside of the Association, including those from law enforcement agencies or from the individual under investigation, should be referred to [the Association's](#) legal counsel.

9.0862 Investigative or other follow-up activity will be carried out without regard to the suspected individual's position, level, or relationship with the Association.

9.087 *Questions or clarifications related to this policy:* All questions or other clarifications of this policy and its related responsibilities should be addressed to

the Association's legal counsel, who shall be responsible for the administration, revision, interpretation, and application of this policy.

## **9.09 Investment Policy**

### **9.091 General Investment Principles**

9.0911 The primary consideration for the investment of the Association's funds is security; the second most important is liquidity; the third most important is maximizing the return.

9.0912 The OLA Treasurer and Finance/Investment Committee, in consultation with the Association Manager and financial consultant(s), if hired, shall administer the Association investments when cash assets allow such investments without jeopardizing the Association's ability to conduct business.

9.0913 Earnings from all Association investments shall be deposited according to fund type and investment category.

9.0914 A complete record of all investments, including bank or other holding agency, amount of investment, account number or other identification, interest rate, maturity date, conditions for withdrawal, and other pertinent information shall be on file in the Association Manager's office.

### **9.092 Short-term Investment Policy**

9.0921 The primary consideration for the investment of the Association's funds for short-term consideration (anything less than 3 years) is security and liquidity with little fluctuation and limited growth expected.

9.0922 A six month operating reserve will be established and invested in an appropriate short-term investment account.

9.0923 The investments shall include, but not be limited to the following: mutual funds invested in U.S. government-backed securities or GNMA funds; obligations of the U.S. government and its agencies; Federal Money Market Fund; and certificates of deposit issued by U.S. government-insured financial institutions. The Executive Board has the authority/or may appoint an Investment Broker, as needed, to work with the Association Manager and OLA Treasurer in developing an investment portfolio to meet the Association's needs.

### **9.093 Mid-term Investment Policy**

9.0931 The primary consideration for the investment of the Association's funds

for mid-term (3 to 7 years) is that of low to moderate risk that will result in some fluctuation with medium growth.

9.0932 The percent of organization's assets to be invested at this level will be determined by the Finance/Investment Committee along with the OLA Treasurer and final approval by Executive Board.

9.0933 The investments shall include, but not be limited to, the following: index funds, mutual funds, individual stocks and bonds that mature within the designated time frame of not more than 7 years.

9.0934 The Executive Board may retain professional investment management to manage the investments of the funds and to provide advice and counsel in such matters.

9.0934 Total investment return for each investment over a market cycle is expected to be in the top half of the peer group and appropriate benchmark for each investment.

#### 9.094 Long-term Investment Policy

9.0941 The primary consideration for the investment of the Association's funds for long-term (7+ years) is that of higher risk that will result in growth. It is acknowledged that there will be fluctuation and principal will be impacted.

#### 9.0942 General Information

9.09421 The long-term invested funds of the Association, is an investment portfolio generated from the net surpluses of the Association in prior years.

9.09422 The long-term investment fund is held as an asset of the Association under the authority of the Executive Board for the express purposes of providing investment income to support the programs and services of the Association, to serve as a reserve source of funds in the unforeseen event of a financial catastrophe or deficit, and to build the assets of the Association through reinvestment and capital appreciation.

9.09423 The long-term investment fund shall not contain any assets that may be restricted as regards their investment or disposition. The Executive Board is responsible for the implementation of and adherence to the policies and objectives of the long-term investment fund as set forth in this document.

9.09424 The Executive Board may retain professional investment management to manage the investments of the Fund(s) and to provide advice and counsel in such matters.

## 9.0943 Investment Objectives

9.09431 *Rate of Return Objectives:* The long-term investment(s) fund is expected to achieve, over the measured period as defined in 9.0434, a total return which meets the identified benchmark.

9.09432 *Cash Income Requirements:* Since there are no immediate liquidity demands on the long-term investment fund(s), the source of investment return is not important. There is no preference for cash income as opposed to capital appreciation.

9.09433 *Relative Performance:* In addition to the real rate of return objective stated above, total investment return for long term funds over a market cycle is expected to be in the top half of the peer group and appropriate benchmark for each investment.

9.09434 *Measured Period:* For purposes of measuring a rate of return over a market cycle, the measured period shall be no less than three nor more than five calendar years.

9.09435 *Fiduciary Standards:* The assets of the long-term invested funds are to be invested and managed in a fashion that is consistent with generally accepted standards of fiduciary responsibility. The safeguards that would guide a prudent investment manager are to be strictly observed. All transactions utilizing assets of the fund are to be undertaken for the sole benefit of the fund and the Association. All regulations specific to the State of Oregon will be observed.

## 9.0944 Investment Guidelines

9.09441 *Permissible Investments:* Assets of the long-term investment fund(s) may be invested only in equity investments, publicly-traded common and preferred stocks, exchange traded funds, convertible bonds, and fixed income securities, whether interest bearing or purchased at discount, including money-market instruments, subject to any restrictions hereinafter specified. In addition, index and mutual funds may be utilized for investment of fund assets. No other securities or instruments shall be presumed to be permissible investments without prior written approval of the Executive Board.

9.09442 *Asset Allocation:* The asset allocation for the funds shall be determined by Finance/Investment Committee with recommendation to the Executive Board for final approval.

## 9.0945 Investment Management

9.09451 *Investment Management:* The Executive Board, at its discretion, may

retain the services of one or more professional, licensed investment consultants to assist in the implementation of the Executive Board's stated investment policy. A copy of this policy shall be provided to the investment consultant(s). Any fees shall be set forth in a letter of agreement between the Association and the consultant(s).

9.09452 *Operating Procedures*: The Association Manager and the Finance/Investment Committee is hereby authorized to carry out and implement the directions of the Board with respect to the investment of fund assets.

#### 9.0946 Review Procedures

9.09461 *Review and Amendments*: The Executive Board, or the Finance/Investment Committee shall review this policy annually to determine if amendments or modifications are appropriate. Amendments, when approved, shall be communicated promptly to all interested parties.

9.09462 *Management Reporting*: Any consultant(s) retained by the Executive Board shall be present for one regular or special meeting of the Board each year. They will review the performance of the long-term invested fund(s) within the context of the Investment Policy and objectives and will make recommendations as to any desirable changes in the overall investment strategy. The consultant(s) will also make recommendations regarding any changes in investment policy deemed appropriate.

#### 9.095 Temporarily Restricted Net Asset

9.0951 The Association reports gifts of cash and other assets as temporarily restricted if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets. When the assets are depleted, the fund is eliminated.

9.0952 The Association has the temporarily restricted funds of the Connie Hull Cash Account.

#### 9.096 Endowment Fund(s)

9.0961 *Establishment*: The Executive Board of the Association has resolved to establish and maintain an Endowment Fund for the Association. The minimum amount necessary to establish an endowment is \$100,000.

9.0962 *Purpose*: The purpose of the Endowment Fund(s) will be used to account for the receipt, investment, and the disposition of resources donated to the

Association when such gifts are made with the stipulation that only the income earned from the investment of the donated assets may be spent.

9.0963 *Use of Proceeds*: The interest earned by the Endowment Fund (herein "proceeds") will be used by the Association as directed by donor or conditions upon donation.

9.0964 *Donor Agreements*: Although the Association will adopt and utilize a standard form for donor agreements incorporating the general terms of this policy, the Executive Board is authorized to negotiate the specific terms of any modified agreement with a donor when advisable and when the donor wishes to make a restricted gift or a gift of appreciated property, or limit the use of the respective proceeds. Such modified donor agreements must be in writing and are subject to the approval of the Board. Once such agreements are approved by the Board, the Association Manager may execute the agreement on behalf of the Association.

#### 9.0965 General Terms

9.09651 All information about donors or prospective donors, including names, beneficiaries, gift amounts, estate sizes, and so forth shall be kept strictly confidential by the Association unless permission is obtained from the donor to release such information. In order that proper and appropriate recognition and appreciation can be devoted to donors, Association personnel may encourage donors to give such permission, but any donor limitations shall be honored.

9.09652 Donors should be advised to seek legal counsel for all aspects of proposed gifts whether by devise, trust agreement, contract, or other legal document. The donor should consult with an attorney on matters relating to both estate planning and the tax liability of a gift.

9.09653 The principal amount of the perpetual endowment gifts must remain intact in the Endowment Fund in perpetuity. Income from such gifts, the proceeds therefrom will be available for expenditure or reinvestment. The gifts in the Endowment Fund bear legal restrictions that the Board ordinarily cannot alter except as permitted by the donor, the donor agreement or applicable state or federal law.

9.09654 If the Association receives appreciated property as a gift for the Endowment Fund, the Board will sell the property as soon as prudently possible, with the advice of the investment manager. The proceeds from the sale shall then be invested through the Endowment Fund.

9.09655 Endowment gifts may be restricted or unrestricted as to the ultimate disposition of income earned. In order to restrict the use of funds earned from a gift, the donor must donate a minimum of \$100,000. Each restricted gift of \$100,000 and above will have a separate accounting entry. The principal amounts

of each restricted fund will be readily identifiable, the income earned during each accounting period will be readily identified with the fund that produced it and the ultimate expenditure of such restricted income must be traceable.

#### 9.0966 Fund Management

9.09661 The Endowment Fund is used in a legal and accounting sense to account for resources obtained from outside donors or grantors who have placed restrictions on the use of either the principal amounts of their gifts and grants or the proceeds or income earned on those principal amounts. Other OLA designated funds are not generally included within this group of funds for accounting purposes.

9.09662 For financial management purposes, the Endowment Fund may be invested with other Association funds, such as reserve funds, to facilitate the integration of operational and investment cash flows with long term asset planning. If the Endowment Fund is integrated with other Association funds, the Endowment Fund must be separately identifiable through generally accepted accounting practices and procedures.

9.09663 The Executive Board shall select an investment manager who will recommend an investment strategy for the Endowment Fund. This professional will guide the Board, so that the endowment portfolio is invested under the guidelines set up in the Investment Policy.

9.0967 *Spending Policy:* Instructions received from donor for distribution/use of endowment earnings will be followed.

9.0968 *Termination:* If the Association joins in a federation with other state Associations, the Endowment Fund shall be transferred with other Association assets and liabilities to the new federation, but the Endowment Fund shall be restricted in its use and operation to be used for the same purpose or purposes as set forth in this policy and the applicable Donor Agreements. If the Association is disbanded or dissolved, the Endowment Fund shall be transferred to the 501(c)3 foundation of the American Library Association for perpetuation of the purposes for its establishment.

#### 9.097 Connie Hull Endowment Fund

9.0971 *Establishment:* Upon the merger of the Oregon Association of School Libraries (OASL) in to the Oregon Library Association the Executive Board of the Association acquired the Connie Hull Endowment Fund and is dedicated to maintaining the endowment for OASL, a Division of the Association.

9.0972 *Purpose:* The purpose of the Connie Hull Endowment Fund is to benefit the OASL, specifically in its mission to the improvement of education in

Oregon's schools through the effective use of media and technology resources.

9.0973 *Use of Proceeds*: The interest earned by the Endowment Fund (herein "proceeds") will be used by OLA/OASL to:

- Provide the Sweet Home Public Library an annual stipend of \$1000.
- Provide Connie Hull grants at a rate selected by the Connie Hull committee and using the criteria set by the Connie Hull committee.

## **Chapter 35 Grants**

### **35.01 OLA Units Seeking Outside Funding**

35.011 Any OLA unit within the Association must obtain Executive Board approval prior to applying for or seeking any special funding or grant from a federal, state, or other outside agency. The Executive Board shall be notified of all requests for special funding or grants from any federal, state, or outside agency. A 6% admin fee will be added to grant budgets for an administration fee.

35.02 Evaluating Project Feasibility - In evaluating grant projects, the Executive Board shall assess the following:

35.021 Is the proposed project conceptually appropriate?

- Does it fit within the parameters of OLA's mission and strategic plan?
- Does it provide necessary resources to OLA?
- Does it constructively promote OLA and Oregon libraries?
- Does it provide needed services to OLA and/or Oregon libraries?
- Does it provide needed revenue to OLA and/or Oregon libraries?
- Do the pros of pursuing the grant/project outweigh the cons?

35.022 Is the proposed project realistic?

- Are deadlines for submitting the proposal realistic?
- Has the feasibility of the proposal been determined through direct contact with the granting organization and/or through other means of evaluation?
- Are the grant writing, management, and reporting requirements manageable?
- Are staffing levels sufficient to successfully write, conduct, and report on the grant project?
- Are staff hours considered a match or in kind contribution?
- Have the following responsibilities been appropriately delegated to an Association representative and/or partnering agency?

35.023 Who is the person/unit assigned to do the following:

- Writing the grant proposal
- Carrying out all project activities

- Fiscal administration
- Fulfilling reporting requirements
- Coordinating overall grant administration

### 35.03 Requirements Checklist

35.031 If the Executive Board determines that a proposed grant or project is both conceptually appropriate and realistic, prospective project partners or projects must meet the following requirements before submitting a proposal involving the Association:

35.0311 If the Association is to administer a grant and/or bear responsibility for its execution, a minimum of 10-30 percent of project funds (or other reasonable amount determined by the Association Manager or designee) should be allocated for associated administrative tasks, included but not limited to time allocated to grant writing, reporting, budgeting, record-keeping, etc.

35.0312 Any in-kind costs potentially incurred by the Association must be revealed to and agreed upon by the Association Manager or designee before any grant proposal involving the Association is submitted to potential funder(s).

35.0313 Exempting any in-kind costs agreed to by the Association Manager, project funds should cover all costs incurred by the Association for project expenses such as, but not limited to: accounting; human resources; information technology; telecommunications services; equipment; promotional materials; supplies; travel.

35.0314 Either the grant funding must fund appropriate staffing levels to complete the project, or partners must provide appropriate staffing to carry out the funded activities without putting an undue burden on Association staff.

35.0315 The roles of each partnering entity must be agreed upon and clearly spelled out in the grant itself, and/or in a memorandum of understanding.

35.04 *Submitting an Application from the Association:* Once a grant project is authorized by the Executive Board, the unit is authorized to complete the grant application, which the President shall sign. The Association Manager shall act as fiscal agent if such information is needed.

### 35.05 Grant Contracts

35.051 The OLA President shall sign grant contracts. The Association Manager signs as fiscal agent.

35.052 If a contract for work is part of a previously approved grant project, an OLA unit shall contact the OLA President with a draft of the contract. The OLA

President affirms that the contract stems from a previously approved grant and signs the agreement.

### 35.06 Fulfilling Grant Requirements

35.061 As fiscal agent, the Association Manager will claim grant funds and submit grant financial reports, providing copies to the OLA unit that has the grant.

35.062 The OLA unit writes and submits the grant reports. The Association Manager will keep a timeline and remind OLA unit grantees of reporting responsibilities.

### 35.07 Endorsements for External Grant Projects

35.071 *No Future Commitment from the Association:* If an external contact approaches an OLA member or unit with a request to support a grant application, that member/unit shall approach the OLA President with a draft of endorsement letter. If the OLA President ascertains that the Association would have an interest in the nature of the project, and that there is no future financial commitment from the Association, s/he or designee shall inform the Executive Board of the request and decision then draft and sign an endorsement letter.

35.072 *Future Commitment from OLA:* If an external contact approaches an OLA member or unit with a request to support a grant application that requires personnel or financial support, the member/unit shall contact the OLA President with a draft of endorsement letter. The OLA President shall place the endorsement on the Executive Board agenda for discussion. Executive Board approval is required. The OLA President or designee should sign the endorsement.

35.08 *Official Grant Files:* An OLA unit shall keep an official grant file with signed originals. At the end of the grant, the file should be archived according to Association archive procedures. Financial records shall be kept by Association Manager and archived when designated by retention schedule.

## Chapter 40 General Policy Statements

HRCLD Director 7/29/14 6:43 PM

**Deleted:** 35.012 Another variation is that an external contact approaches the OLA President with a request to support a grant application. OLA President ascertains that OLA would have an interest in the nature of the project, and that there is no future financial commitment from OLA.

HRCLD Director 7/29/14 6:24 PM

**Deleted:** 40.04 Finances

HRCLD Director 7/29/14 6:24 PM

**Deleted:** 40.041 The Executive Board scholarship fund contribution should equal \$1.00 per member. Members shall be counted at the time of the annual conference. This policy to continue as long as funds permit. This policy shall be part of the Treasurer's instructions. (Adopted June 20, 1986)

- HRCLD Director 7/29/14 6:24 PM  
**Deleted:** 40.042 OLA mileage reimbursement shall be 15 cents per mile. This policy is to be implemented with the change in the Expense Request Form 1986-87. (Adopted June 20, 1986)
- HRCLD Director 7/29/14 6:24 PM  
**Deleted:** 40.043 OLA shall be a member of the Center for the Book at \$50.00 per year. (Adopted June 20, 1986)\*
- HRCLD Director 7/29/14 6:24 PM  
**Deleted:** 40.044 The Continuing Education Committee shall keep workshop costs low while not going in the red. Variable pricing structure for workshops and other programs would be appropriate. (Adopted January 17, 1986)\*
- HRCLD Director 7/29/14 6:24 PM  
**Deleted:** 40.045 Funds raised by workshops should come back to OLA, which would accept the risk involved in any possible shortfall. This policy is not applicable to Continuing Education workshops which are accounted for in a revolving fund... [1]
- HRCLD Director 7/29/14 6:24 PM  
**Deleted:** 40.046 Funds from HAS sale of T-shirts should be integrated into the General Fund (at this time HAS had a separate bank account for... [2])
- HRCLD Director 7/29/14 6:24 PM  
**Deleted:** 40.047 Budgets for projects to be funded through the revolving fund should be submitted to the Executive Board for approval be... [3]
- HRCLD Director 7/29/14 6:24 PM  
**Deleted:** 40.048 The OLA books shall be audited biennially as directed in the OLA Procedure Manual. (Adopted June 14, 1983)
- HRCLD Director 7/29/14 6:24 PM  
**Deleted:** 40.049 OLA will use the IRS test for limits to lobbying expenditures as defined by IRS From 5768. (Adopted January 12, 1996)
- HRCLD Director 7/29/14 6:24 PM  
**Deleted:** 40.0410 A goal of the OLA annual budget should be to have one year's operating expenses in reserve. The Executive Board will consid... [4]
- HRCLD Director 7/31/14 2:31 PM  
**Deleted:** Conferences - \$15
- HRCLD Director 7/31/14 2:31 PM  
**Deleted:** Workshops - \$5 or \$10.

## Chapter 43 Conference and Workshop Policy

### 43.01 Conference Funds

43.011 Conference funds and OLA unit funds are and should be separate.

43.012 Within 60 days of the last day of a pre-conference or workshop, funds shall be distributed to sponsoring units.

### 43.02 Conference and Workshop Budgets

43.021 Budget formulation is the responsibility of the appropriate OLA unit chair (or individual designated by the OLA unit chair) planning the event. Conferences are expected to earn a profit. Workshops must be planned on a cost recovery basis. It is recommended that non-members shall be charged a higher registration fee than members. The Association units may assess registration/administrative fees, or fees determined to be more appropriate, per registrant for all events handled by the OLA office. [Units should check with the Association Manager for the current recommended fee amounts.](#)

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43.022 All bills must be submitted to the OLA office within sixty days of the event to receive payment.

43.021 The Conference Committee budget (including projected program expenses) must be submitted to the Executive Board for approval and must come to the Board for approval of additional expenses above 10%. Consequently, the Conference Committee needs early input from committees and divisions for programming and budget.

#### 43.03 Refund Policy

43.031 A service charge will be applied to all cancellations. Only written cancellations received by the Conference Committee or sponsoring Unit one week prior to the start of event will be honored. Refunds will be processed and mailed within 30 days after the event. [Units should check with the Association Manager for the current recommended service charge amount.](#)

HRCLD Director 7/31/14 2:31 PM

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43.032 The refund policy will appear on the registration form.

#### 43.04 Fees

43.041 Exhibit fees, [registration fees, and any other charges](#) shall be determined by the Conference Committee or sponsoring Unit(s).

43.042 Fees for Friends, Trustees, students and unemployed shall be at a reduced rate.

HRCLD Director 7/29/14 6:13 PM

Deleted: 43.06 Daily Registration Fees

HRCLD Director 7/29/14 6:13 PM

Deleted: 43.061 The daily registration fee shall be determined by the conference committee each year.

HRCLD Director 7/29/14 6:13 PM

Deleted: 43.062 Conference Committee Members may register at the reduced rate for Friends, Trustees, students and unemployed in recognition of their inability to attend sessions due to their responsibilities during the conference.

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Deleted: 43.07 Profit

HRCLD Director 7/29/14 6:13 PM

Deleted: 43.071 Each Conference Committee shall be mandated to make a profit.

#### 43.05 Site Selection

43.051 The selection of conference or workshop sites shall be determined upon appropriate facilities as well as convenience for interested members.

#### 43.05 Honorariums

43.051 Per 9.036, Association members shall not receive honoraria or free

registration for participating as speakers or panel members at conferences or workshops. They will not be required to pay registration if they only attend the session or pre-conference at which they present. Daily or full registration is required if they attend other conference or workshop activities such as food functions, exhibits, or sessions.

#### 43.06 Pre-conferences

43.061 Pre-conferences shall be limited to six or fewer. Proposals from OLA units will be reviewed and the Conference Committee will select the pre-conferences based upon quality, balance with other conference offerings, and need for the extended time period. No OLA unit shall be the primary sponsor of more than one pre-conference.

Final review and approval August 22, 2014