

Westchester Putnam School Boards Association

Fiscal Policy Regulation

Contracts

The Association often has a need to enter into contracts with various providers for goods and/or services. However, contracts with some providers need to be addressed prior to the next succeeding meeting of the Board of Directors. Thus, the Board believes that the orderly management of the Associations' business will be best served if the Executive Director is authorized to execute certain agreements by delegation of authority from the Board of Directors.

Accordingly, the Board delegates to the Executive Director the authority to enter into contracts, or amend existing Board-approved contracts, on behalf of the Association provided that the following three conditions are met: (i) the contract or amendment executed by the Executive Director is for a total amount not to exceed an aggregate to any one vendor of \$7,500 in a single fiscal year, (ii) the contract is for goods or services normally procured in the ordinary course of business of the Association, and for which budgetary authorization has previously been granted in the Association's annual budget, and (iii) the Board of Directors shall be promptly informed of the execution of such contract or amendment at the next meeting of the Board and such contract or amendment shall be available to the Board upon request.

In the event that the Executive Director deems it necessary to enter into any contract or amendment exceeding the parameters set forth in this fiscal policy, it shall be provided in such contract or amendment that it shall not take effect and be enforceable until and unless it is affirmatively approved and ratified by the Board of Directors.

Contracts authorized by specific Board resolution shall be executed by the Board President or in his/her absence the Vice-President, unless a different signatory is authorized.

Loans

The Association shall make no loans of any type.

Bank Checks and Drafts

All bank checks and drafts and all other such orders for the payment of monies out of the funds of the Association, and all notes or other evidences of indebtedness of the Association, shall be signed by the Treasurer of the Association or the Executive Director as agent for the Association provided that such check, draft or note not exceed \$7,500.00 to any one individual or entity in a single fiscal year.

The Association's monthly rental expenses shall be excluded for the purpose of calculating whether the \$7,500 aggregate annual limit has been reached with respect to any third party.

For purposes of the policy, for credit card statements the aggregate annual limit of \$7,500 is calculated based on aggregate charges to each individual vendor, individual or entity for which the credit card is presented for payment, not the total of the monthly credit card statement itself. Any such check, draft or note exceeding the parameters set forth in this fiscal policy shall not be authorized unless it is (a) signed by two officers of the Association, or one officer and the Executive Director; or (b) noted with a memo to files signed by two officers of the Association, or one officer and the Executive Director within 14 days. The signed memo shall be shared with the Board of Directors upon execution.

Restricted Funds

The Board will designate a portion of unrestricted net assets to ensure the ongoing cash viability of the Association. During the annual budget process, the Board will review the net asset position of the Association and designate one month (1/12) of budgeted expenses for the coming year to be maintained in cash or cash-equivalent funds. The Executive Director will have access to these funds for normal operating expenses only with the approval of the Executive Committee. The bank statements of the Association will continue to be provided on a monthly basis to the Treasurer of

the Association, who will ensure that sufficient cash is maintained in the Association accounts to cover the annually determined board-designated net assets position.

Investments

With the approval of the Executive Committee, the Executive Director can use unrestricted net assets to invest in FDIC-insured instruments, government money market funds or Treasury bill instruments with maturity no greater than 12 months, ensuring that a reasonable liquid cash balance is maintained for ongoing operations.

Fiscal Year

The fiscal year of the Association shall be from July 1 through June 30.

Approved by the Westchester Putnam School Boards Board of Directors: April 25, 2013; as amended March 27, 2014; as amended September 10, 2015; as amended November 9, 2017; as amended April 28, 2022, as amended September 27, 2023.