

LWAF Financial Management Policy

Effective Date: February 14, 2007
Approved by LWAF Board on: February 14, 2007
Applicability: All LWAF financial matters
Manager of Responsibility: Budget and Finance Committee Chair Person

LWAF must practice sound financial management and comply with a diverse array of legal and regulatory requirements. LWAF's financial system should assure that accurate financial records are kept and that the organization's financial resources are used in furtherance of the organization's charitable purposes. Organizations should conduct periodic reviews to address regulatory and liability concerns.

Financial Accountability

LWAF shall operate in accordance with an annual budget that has been approved by the board of directors.

LWAF shall create and maintain financial reports on a timely basis that accurately reflect the financial activity of the organization. Internal financial statements shall be prepared for review at each board meeting. Material variation between actual and budgeted revenues and expenses shall be explained to the board by the responsible account or project manager.

LWAF shall provide employees, board members, members, and volunteers a confidential means to report suspected financial impropriety or misuse of organizational resources and shall prohibit retaliation against persons reporting improprieties.

Written documentation, approved by the board, shall define budgeting and expenditure processes and the roles and responsibilities of individuals involved in those processes.

Legal Compliance and Accountability

LWAF shall comply with all applicable federal, state, and local laws. This may include, but is not limited to, the following activities: complying with laws and regulations related to fundraising, licensing, financial accountability, document retention and destruction, human resources, lobbying and political advocacy, and taxation.

LWAF shall periodically assess the need for insurance coverage in light of the nature and extent of the organization's activities and its financial capacity. A decision to forego general liability insurance coverage or Directors and Officers

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liability insurance coverage shall only be made by the board of directors and shall be reflected in the minutes for the meeting at which the decision was made.

LWAF should periodically conduct an internal review of the organization's compliance with known existing legal, regulatory and financial reporting requirements and should provide a summary of the results to members of the board of directors.

Openness

LWAF is a private organization that operates for public purposes with public support. As such, they shall provide the public with information about their finances when requested or on a regular basis as directed by the board of directors.

LWAF shall prepare, and make available annually to the public basic audited (if applicable) financial data. Basic financial data should, at a minimum, include a summary statement of activities and a summary statement of financial position. The report should also identify the names of the organization's board of directors and management staff.

LWAF shall have at least one staff member who is responsible for assuring that the organization is complying with both the letter and the spirit of federal and state laws that require disclosure of information to members of the public.