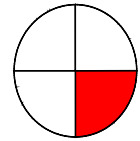


Board of Directors Policy



Policy Type: Executive Limitations

Policy #: EL4

Policy Name: Financial Condition

Page #: 1 of 1

Creation Date: December 3, 1993

Effective Date: May 27, 2019

Monitoring: November, February, May

With respect to the actual, ongoing condition of the organization's financial health, the Executive Director may not cause or allow the development of fiscal jeopardy or loss of allocation integrity.

Accordingly, the Executive Director may not:

1. Indebt the organization in an amount greater than can be repaid by certain, otherwise unencumbered revenues within 90 days.
2. Use any restricted reserves.
3. Conduct inter-fund shifting in amounts greater than can be restored to a condition of discrete fund balances by certain, unencumbered revenue within 90 days.
4. Allow cash to drop below the amount needed to settle payroll and debts in a timely manner.
5. Allow actual allocations to deviate materially from the Board priorities in Ends Statement.
6. Hold client funds in an account that is not designated as trust account as defined by the Collection and Debt Settlement Services Act nor use trust funds for purposes other than the management of client debts.
7. Allow the Board of Directors to be uninformed of the monthly reconciliation of the trust account.
8. Maintain no less than three separate bank accounts; a general operating account, an interest-bearing account for funds held in restricted reserve, and an account for monies that are payable to the midwifery practices.

Transactions under five thousand dollars (\$5,000) require the signature of a) the Executive Director and the Director of Business and Finance, or b) the Executive Director or the Director of Business and Finance together with the signature of a program manager.

Transactions over five thousand dollars (\$5,000) require the signature of a) the Executive Director and the Director of Business and Finance, or b) the Executive Director or the Director of Business and Finance together with the signature of a Board Member who is a signing officer of the organization.