



Friends of Pheasant Branch Conservancy, Inc. FOPB Policy on Financial Reserves

1. Purpose: This Policy represents the policy of FOPBC with respect to the creation and retention of financial reserves, in order to provide stable support of programs and activities. This Policy supports and is integral to other FOPBC policies and processes including any related to budgeting, financial and membership procedures.

2. Administration:

2.1 Responsibilities of the Administrator. The Treasurer shall be the administrator (“Administrator”) of this Policy. The Administrator’s responsibilities shall include the implementation of this policy, as well as the maintenance of this policy, keeping it current and valid. The Board of Directors will review this policy at least once every three years. The Policy may be amended by a vote of a majority of a quorum of the Board.

3. Policy and Process: It is the financial policy of FOPB to develop and retain a financial reserve equivalent to a three-year average of annual recurring revenue from fundraising efforts, exclusive of funds obtained from grants, large memorial gifts and other non-recurring sources. The computation of the reserve amount will be presented to the Board by the Treasurer on an annual basis during the budgeting process for Board approval.

The purpose of the reserve is to address any unforeseen conditions affecting the furtherance of the mission of FOPB. For example, such conditions may be economic, physical, biological, or socio-political in nature.

The financial reserve will be maintained in designated bank account(s) separate from other FOPB funds.

Any decision to use the Reserve Fund shall occur only by an action of the Executive Committee later confirmed by a formal vote of the Board, or by a vote of the Board itself recorded and documented in the Minutes of a Board Meeting.

4. Version History - Insert approval and revision history here:

- X Approved unanimously by Board of Directors at its meeting on May 11, 2015.
- X Next review should occur by May 11, 2018, if this document has not been reviewed/revised before then.

5. Attachments and/or related documents - Insert relevant references or attachments listing here:

- X (Reserved)