

POLICY ON ACCESSING THE SOCIETY'S RESTRICTED FUNDS

PURPOSE

The Lethbridge Pride Fest Society has a mandate to organize and provide an annual gay pride festival to citizens of Southern Alberta, to organize and promote events and/or gathering when deemed necessary that upholds the mission of the Society, to promote LGBTTTQQIA pride throughout Southern Alberta through the pride festival, to promote equality of LGBTTTQQIA members of Southern Alberta communities through the pride festival, to lease, rent or acquire facilities necessary to provide events during pride, to raise funds in any way to achieve the objects of the society, and to use the funds of the Society only according to and in pursuit of these objects. Policies are essential in providing substance to this mandate. The purpose of this policy is to clarify the authorized procedure for which Elected Members of the Society's Board can access the Society's Restricted Funds.

PERSONS AFFECTED

Lethbridge Pride Fest Society Board

POLICY STATEMENT

It is the policy of the Lethbridge Pride Fest Society Board to responsibly use the Society's funds as their donors intend and for the projects for which the money is intended.

RESPONSIBILITIES

Authorized Signing Authorities:

- a. Shall be responsible be responsible for the administration of the Society's restricted funds.
- b. Shall be responsible for reporting annually to the membership detailing how the Society's restricted funds have been used.

Elected Members of the Society's Board:

- a. Shall be responsible for overseeing and approving the use of the Society's restricted funds.

Membership:

- a. Shall receive annually updates from the Authorized Signing Authorities detailing how the Society's restricted funds have been used.
- b. May offer comments and guidance regarding Society's use of restricted funds.

PROCEDURES

1. Crosswalk Painting Savings Fund
 - a. Upon creation this fund shall have \$30,000 within it.
 - b. The Elected Members of the Society's Board shall approve spending of these funds.
 - c. Any interest collected from this fund shall be reinvested within this fund.
2. Surplus Fund
 - a. Accounting practices recommend that an organization's surplus fund be anywhere from the equivalent of one-half to one full year's operating expenses. The Authorized Signing Authorities recommend that a surplus fund minimum be established at $\frac{3}{4}$ or 75% of the annual operating budget.

- b. In a given year, when the surplus exceeds the desired minimum, the amount above the minimum may be used to balance the annual budget, if necessary.
- c. If the surplus fund drops below its recommended minimum it may not be used until such time as the minimum amount has again been reached.
 - i. Exception: If the Society finds itself in drastic financial circumstances, at which it currently does not have the necessary capital to fulfill its yearly operating budget and it is unlikely that the necessary capital will become available to it before the conclusion of its next fiscal year, then the Elected Members of the Society's Board may ask the membership to approve access to the Surplus Fund for a fixed amount. In accompaniment to the motion brought before the membership the Elected Members of the Society's Board shall provide the rationale why access to the Surplus Fund is needed, any penalty that might be incurred by accessing the fund, and plans for how to replenish the fund.

DEFINITIONS

- Crosswalk Painting Savings Fund
 - a. Created for the sole propose of painting crosswalks within the City of Lethbridge with the Rainbow Pride Flag or the Monica Helms Transgender Flag 1) temporarily in Spring 2017 and 2) to cover the increased costs associated with installing permanent crosswalks as part of the 3rd Avenue South Reconstruction Project.
- Surplus Fund
 - a. Created for the sole propose of investing the Society's Unpredicted Budget Surplus.
 - b. This fund shall encompass all investments that derive from Unpredicted Budget Surpluses.

REFERENCES

Policy 2- Policy on Investment

REVISION HISTORY

- September 27, 2017: New Policy