

# KLAMATH FALLS DOWNTOWN ASSOCIATION

## POLICIES AND PROCEDURES HANDBOOK

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## INTRODUCTION

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The Board of Directors of the Klamath Falls Downtown Association (KFDA) sets the policies of the organization and has final authority to interpret these policies. The KFDA policies, practices, and benefits are reviewed annually.

The KFDA Organization Committee may recommend policy changes to the board, or the board itself may make changes. Proposed changes take effect when officially adopted by the board.

These policies apply to the treatment of both paid employees and volunteers except when only applicable to paid employee positions.

***\*\*\*NOTE: Unless a policy/procedure is preceded by an “Adopted by KFDA Board of Directors” statement, the policy has not yet been adopted and is considered a draft policy.***

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## ETHICS & ACCOUNTABILITY

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### Code of Ethics

The KFDA strives to conduct our business activities with honesty, integrity, fairness, openness, and in accordance with the highest ethical standards. Employees and volunteers are expected to represent the KFDA in a courteous, efficient, and professional manner.

### Decision Making Process

The KFDA will use the most current revision of Robert's Rules of Order for all procedural questions and will follow them in the conduct of all member and board meetings, except as otherwise provided in the articles of incorporation or bylaws.

### Conflict of Interest

The KFDA board, officers, committee members, volunteers, and employees shall avoid any conflict between their own respective personal, professional, or business interests and the interests of the organization.

Board members, officers, and employees will inform the board of any connection to groups or organizations doing business with the organization. Board members who have an actual or potential conflict of interest should not participate in discussions or vote on matters affecting transactions between the organization and the other group. Employees who have an actual or potential conflict should not be substantively involved in decision-making affecting such transactions either. This includes, but is not limited to, transactions involving:

- The sale, purchase, lease, or rental of any property or other asset.
- Employment or rendition of services, personal or otherwise.
- The award of any grant, contract, or subcontract.
- The investment or deposit of any funds of the organization. In addition, KFDA board members, officers, committee members, volunteers, and employees shall not use KFDA facilities, equipment (e.g., computers, copiers, and phones), postage, or supplies for their own private use or gain or the use or gain of another person or entity.

### Confidentiality

Employees will periodically handle confidential information due to their position and will keep this information confidential. Breach of confidentiality is reason for termination.

## Whistleblower Protection

A director, officer, or employee who, in good faith, reports a violation shall not suffer harassment, retaliation, or adverse employment consequence. An employee who retaliates against someone who has reported such violation is subject to discipline up to and including termination of employment. This Whistleblower Policy is intended to encourage and enable employees and others to raise serious concerns within the organization prior to seeking resolution outside the organization.

## Record Keeping

A set of permanent records will be kept in the KFDA office, including organizational documents, board minutes, materials related to the KFDA's tax exempt status, and items of historical significance to the organization. Other documents related to the governance, administration, fundraising, and programs of the organization will be kept in the office for a minimum of seven years.

The KFDA board will review options to back up and preserve electronic and print copies of documents vital to the organization's governance, financial, and programmatic operations.

## Openness and Disclosure

The KFDA will provide comprehensive and timely information to the public, the media, and all stakeholders. All reasonable requests for information will be responded to as soon as possible.

IRS Form 990 for the previous three years (this includes clear statements of program accomplishments in Part III) and IRS Form 1023 will be available to the public.

An annual report will be prepared. The report will include a list of board members and employees, the KFDA's mission statement, information on program activities, financial information (at a minimum the organization's total income, expenses, and net assets), as well as other information we may choose to include. The annual report will be available to the public and posted on our Web site.

## Program Evaluation

The KFDA will regularly review its effectiveness and mechanisms in place to incorporate lessons learned. The organization is responsive to changes in the field of downtown revitalization and the needs of constituents.

## FINANCE

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The KFDA Board of Directors is committed to acting as responsible stewards in managing the organization's financial resources. The organization shall comply with all laws and regulations and shall adhere to sound accounting principles that produce reliable financial information, ensure fiscal responsibility, and build public trust. Ultimately, the board is legally responsible for all financial transactions of the organization.

### Fiscal Year

The KFDA's fiscal year matches the calendar year.

### Handling Checks and Cash

All checks will be endorsed with the KFDA bank stamp upon receipt. Checks, as well as the associated deposit slip, will be photocopied. Deposits will be made by the treasurer, the executive director, or the administrative assistant within 2 business days of receipt.

The executive director and at least one member of the executive committee will count all cash and checks after cash generating activities. Funds will be deposited within 24 hours (or next business day) by the treasurer or the executive director and a receipt maintained with other KFDA receipts as a record of the transaction.

### Paying Invoices

The treasurer will be responsible for paying the organization's bills in a timely manner once or twice a month. The organization's checkbook will reside in the care of the Treasurer.

Two signatures are required for all checks, drafts, or other orders for payment of money except as provided elsewhere in this document. Members of the executive committee (president, vice president, treasurer, and secretary) are valid endorsees. The Executive Director is also authorized to sign checks and qualifies as one of the required signatures except for checks written as payment (payroll or otherwise) to any KFDA employee. All checks written to an employee requires signatures from two members of the executive committee. Members of the executive committee may not sign checks written to themselves or their business.

### Purchasing

The Executive Director purchases all supplies and equipment. These items should be purchased from local businesses when possible. The board must approve all purchases not in the budget or those exceeding the budgeted amount. Employees must investigate at least three different sources for products or professional services which exceed \$1,000 and submit this information

to the board for consideration.

## Payment & Reimbursement of Travel Expenses

***Adopted by KFDA Board of Directors July 18, 2018.***

Employees will be reimbursed for reasonable and customary expenses incurred in connection with the business of the organization, including food, lodging, and transportation while out of town. Whenever possible, travel expenses shall be paid with a KFDA credit card. Advances for travel requiring a significant prepayment may be authorized by the board president.

### Reimbursement Guidelines:

Meals - reimbursed at actual cost, up to a maximum of the federal per diem rates found at GSA.GOV. Reimbursement for alcoholic beverages is prohibited. Receipts must be provided.

Mileage - out-of-town travel (more than 20 miles away) in a personal vehicle will be reimbursed at the federal mileage reimbursement rate for business travel (found at IRS.GOV) for actual miles driven.

Ground Transportation – If taxi, shuttle, train, or rental car are used, reimbursement will be at actual cost.

Airfare - reimbursed based on actual cost for economy class seating. Business class/first class travel is prohibited unless it is the only option available, and is authorized in advance by the board president. Travelers are allowed to use personal miles or funds to upgrade their economy-class ticket to business- or first-class.

Lodging – reimbursed at actual cost for room and tax only. Incidental expenses will not be reimbursed as a lodging expense. Lodging accommodations exceeding \$150 per night shall be authorized in advance by the board president.

Claims for reimbursement must be submitted to the board president (or vice president in his/her absence) on the KFDA Expense Report template within 10 days of the last day of travel. Receipts shall be included for all expenses, with the exception of mileage.

## Budgeting

The organization committee, with the aid of the executive director, will provide a strategy for adequate funding. Board-approved work plans will be presented to the organization committee for the budgeting process. A draft annual budget shall be presented to, and approved by, the

board no later than the October board meeting. The board will approve the final budget by the close of the November board meeting. The treasurer will enter all budget figures into the accounting program to generate comparative financial statements by January of the budget year.

The board does not need to approve committee expenditures that were pre-approved in the annual budget. However, the board must approve all expenditures exceeding the budgeted amount or outside the adopted budget prior to expending any funds.

## Financial Records

The treasurer will present the financial statement to the board at the regularly scheduled monthly meeting. The statement will include actual and budgeted income and expenses for the month and year to date totals. Within two months after the close of the fiscal year, the treasurer will prepare a year-end financial statement showing in reasonable detail the source and application of the previous year's funds and the financial condition of the organization. This statement will be presented to the board at the following board meeting.

All financial records of the organization will reside in the KFDA office and will be maintained by the treasurer, with input from the employees. Bank accounts will be reconciled monthly and compiled in separate files including all canceled checks and deposit records. Deposits will be tracked by maintaining copies of deposit slips, checks, and bank deposit receipts.

Any contribution, grant, or gift earmarked for a specific activity will be tracked and reported on in a separate restricted fund account.

An independent accountant will conduct an annual financial review and present the results to the board. A formal audit will be conducted every four years.

The KFDA will keep records open to audit for three years. These records will be kept in accordance to standards acceptable by accounting professionals.

## Donors

The board is responsible for identifying financial and in-kind donors. Board members will be designated to contact potential donors with the assistance of the executive director. Individual committees may also need to solicit donors. This action should be approved by the board to avoid conflicts.

## Acknowledgment

The Executive Director or Organization Committee will acknowledge contributions within two weeks of receipt. Receipts will be issued for all contributions of \$250 or more or upon request.

## Gift Acceptance

The board will determine whether accepting a gift of cash or other assets will compromise the ethics, financial circumstances, program focus, or other interests of the organization prior to accepting the gift. Such gifts will be publicly acknowledged in KFDA materials as appropriate.

## Grants

The board of directors will approve any requests to write grants. Potential grants must clearly fall within the mission of the KFDA and be for projects on current work plans or address an emerging local issue.

Employees and committees will keep records, books, and materials in accordance with the requirements set forth in any acquired grant. Reports will be written by the executive director with assistance by volunteers as needed.

The board recognizes that administering a grant is time consuming. ***The executive director will be responsible for administering grants acquired by the program which means he or she will be less involved in other activities.***

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# COMMUNICATIONS

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## Spokespeople

The President and the Executive Director will serve as the primary spokespeople for the KFDA. Committee chairs, in conjunction with the executive director, may be called on in relation to specific projects or activities. No other individuals, without specific board approval, may speak on behalf of the organization. All designated spokespeople must represent the board's position and not their personal opinion.

## Press Releases

The executive director will issue all press releases. Volunteers may compose the press release and then submit the drafts to the executive director for review and editing. All press releases should be reviewed by at least two individuals. The executive director will distribute all press releases to the appropriate media on KFDA stationery. Press releases containing potentially controversial information shall be sent to the board for consideration and approval.

## Publicity

Any opportunities for positive press should be pursued. The board of directors will approve any potential publicity ideas. Copies of articles will be retained in the KFDA office.

## Presentations

The executive director will schedule all presentations to organizations, companies, or interested individuals. At a minimum, two KFDA representatives will be present at each presentation. Whenever possible, the executive director will be one of those two people. Employees will prepare any needed handouts.

## Events

Suggestions for events will be referred to the appropriate committee for consideration with final approval by the board of directors. Timing, feasibility, cost, and relevance to the program will be considered when approving an event.

## Letters of Support

KFDA may receive requests for letters of support. Letters of support will only be written when the following points have been addressed:

- The issue pertains to the mission of the KFDA.
- The issue directly relates to the central business district recognized by the KFDA.

- The board has been furnished with adequate information to make an informed decision.
- The board has been given adequate time to consider the information.
- A discussion involving at least a quorum of board members has been held.
- The request doesn't conflict with the organization's nonprofit status.

A copy of each letter will be kept on file in the office.

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## ADMINISTRATION

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All daily operations of the KFDA are managed by the executive director with assistance of employees and volunteers.

### Office

KFDA shall maintain an office within the downtown area.

### Work Plans

Development of the KFDA's work plans will begin in the fall prior to the beginning of the fiscal year. At that time, the board shall meet and establish the organization's goals and objectives for the upcoming year. The goals and objectives shall be forwarded to each committee chair to use as priority guidelines for developing committee work plans. Each committee will develop activities to meet objectives established by the board. A work plan overview that lists committee goals and objectives and activities will be presented to the board for review and approval and for use in the budgeting process.

As work plan drafts are completed by each committee, they will be presented in person to the board of directors for consideration. The work plans will include, at a minimum, a list of tasks to complete each activity, the lead person assigned to each task, amount of staff time needed if applicable, due date for each task, and budget amount. The board will make a decision for each activity plan based upon its affordability, feasibility, and whether it follows the organization's mission. Corrections or additions will be returned to each committee for additional work.

# BOARD

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## Purpose of Position

Collectively, the board of directors assumes legal and philosophical responsibility for all KFDA activities. The board of directors is solely responsible for establishing program policy, approving the annual program budget, and determining the goals of the program.

## Requirements

Board members should be prepared to make a financial commitment, and contribute four to ten hours a month to the program. The KFDA board typically meets monthly for 60 to 90 minutes. The board may delegate some of its duties to an executive committee or other task forces. Board members are usually expected to serve on one or more of these task forces and/or a standing committee of the downtown program.

## Major Responsibilities

The board is responsible for the success or failure of the downtown revitalization program. It is responsible for all of the finances of the organization and establishes program policy. The board is responsible for maximizing volunteer involvement in the downtown revitalization effort. Collectively, the board makes decisions about the program's direction and monitors progress on a regular basis. It sets priorities and makes decisions about the program's political stance. It oversees the work of the program manager, is primarily responsible for raising money for the program, and supports the work of the committees by volunteering time and expertise in support of their efforts. The board of directors is also responsible for fulfilling the legal and financial requirements in the conduct of its business affairs as a nonprofit organization.

## Individual Standards

A responsible Main Street program board member commits to:

- Learning about and promoting the purpose and activities of the KFDA and the Main Street Approach whenever appropriate and possible.
- Attending regular monthly board meetings or notifying employees when absence is necessary.
- Actively participating on at least one committee.
- Actively participating in specific activities or projects promoted by the board which may include: - Fundraising. - Membership recruitment. - Representation on behalf of the program at meetings or events. - Attending trainings and workshops.
- Making an annual membership contribution.
- Staying informed about the purpose and activities of the KFDA to effectively participate in board decisions and fulfilling responsibilities.

## ROLES AND RESPONSIBILITIES

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### Officers

**President:** The president is the executive head of the board of directors. The president works with the executive director to prepare agendas for and presides over meetings of the board of directors and of its executive committee. The president is an ex-officio member of all committees, and is the official spokesperson for the KFDA, and is responsible for overseeing the work performance of the executive director.

**Vice President:** The vice president performs the duties of the president in the president's absence or disability. The vice president also shall serve as the chair of the organization committee.

**Secretary:** The secretary keeps minutes of board and executive committee meetings, conducts correspondence for the KFDA, and is responsible for overseeing the organization's records.

**Treasurer:** The treasurer keeps accounts, prepares reports, and supervises the deposit and withdrawal of funds. The treasurer reports to the board on a monthly basis the fiscal condition of the organization.

### Paid Staff

**Executive Director:** The executive director manages all day-to-day activities of the organization including hiring support staff. Along with the president, the executive director is a spokesperson for the organization. The executive director is also responsible for record keeping and reporting on grants that the KFDA receives.