

CONTRACTS

Contracts and leases are not valid until:

1. Approved by the Board of Directors or the Executive Committee, except as stated herein, AND
2. Signed by the President and the Recording Secretary, if required

NEGOTIATION

The President, with the approval of the Executive Committee, may designate certain persons, such as the Convention or NFMC Conference Chair, to negotiate contracts, leases, papers of agreement. No one is authorized to negotiate such contracts and other papers as named above unless specifically designated by the President. Such contracts are not valid until approved and signed as provided above.

COPIES OF CONTRACTS

The original contract shall be filed with the Recording Secretary and duplicate copies filed with the President and the Treasurer.

REVOLVING FUND

The Headquarters Office shall have two accounts: a Clearing Account and an Office Reserve Account. The National Treasurer or President may draw from the Clearing Account. The Executive Director draws from the Office Reserve Account.

BONDING

The expense of bonding authorized persons who handle money, including the Treasurer, Executive Director and the President shall be paid by the Federation.

CHECKS AND HOLDING OF FUNDS

All checks shall be made payable to the National Federation of Music Clubs. Any made otherwise, in error, should be endorsed to the National Federation of Music Clubs. Except in cases where a revolving account is authorized by the Board of Directors, no checks or funds are to be held by any chair, editor or other person representing the Federation but shall be forwarded immediately to the Treasurer.

DEPOSITS

All checks and funds shall be deposited only by the Treasurer or the official designated at Headquarters.

AUTHORIZED SIGNATURES

The President and Treasurer are the authorized signatories for any financial transaction of NFMC and one of their signatures is required for deposit or withdrawal of amounts up to \$100,000. For amounts exceeding \$100,000, both of their signatures are required. The Recording Secretary shall certify to any party requiring such signatures that this action was taken by the Board of Directors.

UNAUTHORIZED EXPENDITURES AND REIMBURSEMENTS

No expense incurred by Federation Officers, Chairs, Editors, and Appointees will be paid by the Federation unless it has previously been authorized by the Board of Directors. Any expense not receiving such prior authorization shall be the liability of the person incurring it. Whenever possible, payments should be sent directly to the vendor(s). All receipted bills and invoices accounting for all expenditures must be presented before reimbursement will be made.

Directives are listed under "BUDGET CHAIR REVIEWS VOUCHERS," Section Page, C-4.

AUDIT

The books of the Federation shall be audited annually by a Certified Public Accountant approved by the Board of Directors.

FINANCES – FINANCE CHAIR, FINANCE COMMITTEE

FINANCE CHAIR

The Finance Chair shall be elected by the Board of Directors from among its members. The Finance Chair is chair of the Finance Division and serves as a member of the Fund for the Advancement of Musical Arts. (Bylaws, Article XIII, Section 3.B.3)

The Finance Chair, with the President and Treasurer, must approve any expenditure over budgeted amounts.

The Finance Chair is a member of Budget, Executive Committee, Publications, Competitions and Awards Board, Office Committee and Investments Committee

MONEY MATTER INQUIRIES

All inquiries regarding money matters must be directed to the Chair of the Investments Committee, the Treasurer, or the Finance Chair.

FINANCE COMMITTEE MEMBERS

The members of the Finance Committee shall be the Finance Chair, Budget Chair, Treasurer, Competitions and Awards Chair, Three members appointed by the President from the Board of Directors

PURPOSE

The purpose of the Finance Committee is to assist the Chair of the Finance Division in developing policies for the Division.

SPENDING AND INVESTMENT POLICIES

Policies regarding finances of NFMC are outlined in a 6-page **SPENDING POLICY** document and a 10-page **INVESTMENT POLICY** document, and may be obtained from the Finance Division Chair. These policies were adopted as an aid for present and future members of each committee. (8-06-08)

DISTRIBUTION RATE FOR ENDOWED FUNDS

At the annual National meetings, the Finance Committee will establish the distribution rate for endowed funds for the following year. (8-04-10)

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FINANCES – BUDGET COMMITTEE

MEMBERS

The Budget Committee shall consist of five NFMC members: A Chair, the First Vice-President (Bylaws, Article IX, Section B2), the Treasurer, the Finance Chair and two members elected by the Board of Directors

BUDGET CHAIR/ PROPOSED BUDGET

The Budget Chair shall prepare and present a proposed budget to each member of the Budget and Finance Committees two weeks prior to conventions/NFMC Conferences.

BUDGET

The proposed budget shall be presented for study purposes at the first meeting of the Board of Directors at the Biennial Convention or NFMC Conference, prior to voting at the final meeting.

NOTIFICATION

Within one month after approval, the Budget Chair shall notify each officer and Committee chair of the amount provided for their work during the year, including a statement of allowable expenditures. (Mail Ballot Revision, 11-07)

BUDGET HOLDOVER

The previous annual budget allowances shall hold over for the incoming officers until their budget is approved at the Biennial Convention or NFMC Conference.

BUDGET CHAIR REVIEWS VOUCHERS

All officers and chair having expense budgets (with the exception of the Presidential Allocation, see B-2), shall submit all vouchers for payment, including receipted bills and invoices accounting for expenditures, to the Budget Chair for verification that the budget fund limitation is not being exceeded. The Budget Chair will then immediately forward instructions to the Treasurer for payment of all approved vouchers.

MEETING

At National meetings, the Budget Committee shall meet prior to the meeting of the Finance Committee.

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FINANCES – INVESTMENTS COMMITTEE
Refer to Bylaws Article XIV

MEMBERSHIP Refer to Bylaws, Article XIV, Section 1

CHAIR Refer to Bylaws, Article XIV Section 1.A

POWERS Refer to Bylaws, Article XIV, Section 2

REPORTS Refer to Bylaws, Article XIV, Section 3

HOLD HARMLESS PROVISION CAN BE FOUND IN BY-LAWS ARTICLE XX

MONEY MATTER INQUIRIES

All inquiries regarding money matters must be directed to the Chair of the Investments Committee, the Treasurer, or the Finance Chair.

INVESTMENT POLICY

Policies regarding NFMC investments are outlined in a 10-page **INVESTMENT POLICY** document, and may be obtained from the Finance Division Chair. This policy was adopted as an aid for present and future committee members. (8-06-08)