Kentucky Orchid Society

Financial Policies and Procedures

The Kentucky Orchid Society is establishing the following policies and procedures to provide for orderly financial management.

Budget Process

A Budget shall be developed by the Directors annually for presentation by the Treasurer to the Board at the January meeting of each year. The Budget shall be voted on by the Board members present at the meeting at which it is presented. The Officers shall have authority to implement the budget approved by the Board.

Changes to the Budget during the year

The total income and expenses of the budget may be changed by vote of the Members present at any regular meeting during the year.

Expenses Budget Modifications

The budget may be modified by adjusting the amounts in various budgeted categories during the year by vote of the Directors, provided that the total expenses of the budget do not change.

Purchase Authorization and Payments

Budget purchases and payments shall be authorized by at least one Officer for amounts up to $1,000; amounts over $1,000 require authorization of two Officers. No person shall authorize payments to himself, herself or to a family member.

Signature Authority on Accounts

The President and the Treasurer shall have signature authority over all KOS non-endowment accounts.

Cash Basis of Accounting

KOS shall use the cash basis of accounting and report financials accordingly.

Nonprofit Income Tax Filing

KOS annual income tax report (the appropriate form of IRS 990) shall be reviewed by the board.

Temporarily Restricted Accounts

The Board may determine to restrict certain funds for particular uses, based on

a) Requirements of donors or grant makers
b) Anticipated organizational liabilities
c) Anticipated financial needs of the organization, and
d) The desire to provide a stable source of income to support particular programs, such as, awards for outstanding plants presented at KOS exhibitions.

Such funds may be released into KOS regular income by vote of the Board when the restriction has been met or is no longer necessary.