

EXECUTIVE LIMITATIONS

With respect to the actual, ongoing condition of the organization's financial health, the Executive Director may not cause or allow the development of fiscal jeopardy or loss of allocation integrity.

Accordingly, the Executive Director may not:

1. Expend more funds than have been received in the fiscal year to date unless the debt guideline (#2) is met.
2. Indebt the organization in an amount greater than can be repaid by certain, otherwise unencumbered revenues within 60 days.
- * 3. Use any long term reserve funds.
4. Conduct inter-fund shifting in amounts greater than can be restored to a condition of discrete fund balances by certain, otherwise unencumbered revenues by fiscal year-end.
5. Allow cash to drop below the amount needed to settle payroll and debts in a timely manner.
6. Allow tax payments or other government-ordered payments or filings to be overdue or inaccurately filed.
7. Allow actual allocations to deviate materially from board priorities in Ends policies.

- * The long term reserves are defined on the financial statements as *FUND BALANCE* and the intention is to accumulate an amount approximating operating expenses for a two month period. Another reserve, *APPROPRIATED FUND*, contains monies set aside for future specific purposes and is available for appropriate use by the Executive Director.