

 <b>BOARD POLICY</b>	Policy #: EL-004	TYPE: <b>Executive-Limitations</b>
	Effective Date: June 29, 2004	
<b>TITLE:</b> <b>Financial Condition and Activities</b>	Reviewed: June 28, 2011	
	Minute #: 11.06.08	

**Policy Statement:**

With respect to the actual, ongoing financial condition and activities, the CEO shall not cause or allow the development of fiscal jeopardy or a material deviation of actual expenditures from board priorities established in these policies.

Accordingly, the CEO will not:

- 1.0 Expend designated revenue for other than its intended purpose.
- 2.0 Incur expenses in any fiscal year that exceed revenues received, unless expenses are offset by a prior year internal reserve.
- 3.0 Expend long-term reserves without the prior approval of the Board.
- 4.0 Authorize expenditures of any contingency funds without prior approval of the Board;
  - 4.1 however, will adhere to the guidelines set out in AFM policy #PS-029 **Authority Levels and Purchasing**.
- 5.0 Fail to settle payroll and debts in a timely manner.
- 6.0 Allow tax payments or other government ordered payments or filings to be overdue or inaccurately filed.
- 7.0 Permit audit findings to be uncorrected in a timely manner.

**HISTORY:**

Approved: June 29, 2004  
 Reviewed: April 28, 2009  
 Reviewed: June 28, 2011