

Insert Section 3.03.3: SPECIFIC STAFF RESPONSIBILITIES:

Accounting Policies and Procedures Manual

The Operations Director in consultation with the Treasurer and the Audit Committee shall review the Accounting Policies and Procedures Manual at least annually and update as needed.

Section 2.03.5: Financial Matters: Credit Cards and Expense Reimbursements

All expenditures shall be evidenced by receipts. The Chair or Treasurer shall be required to approve (and evidence by signing or initialing) all expenses and expense account reimbursements ~~more than~~ in excess of \$200 made to the Executive Director or ~~other officers~~ LNC members prior to payment or within thirty days of payment if the expenditure is incurred with a Party issued credit card. No advance shall be made. No officer shall approve his or her own expenses. ~~To avoid possible hardship due to delays in such approvals, the Chair or the Treasurer may at his or her discretion authorize a permanent expense advance of up to \$200 per individual, which shall be considered a draw against any reimbursable expenses incurred but not yet reimbursed. Any such advances so made shall be fully reflected on the Party financial statements and shall be repayable in full by the individual immediately upon termination of employment or ceasing to hold LNC office for any reason. Any exception to this policy must be approved in writing by the Chair.~~

Travel expenses incurred by officers for the explicit purpose of conducting Party business (excluding those incurred for the purpose of attending LNC meetings) may be reimbursed. Business travel expenses not pre-authorized by the LNC must be deemed necessary and approved in writing by the Chair to qualify for reimbursement. All travel expense reports are to be audited by the Treasurer, and approved by the Treasurer and the Chair.

Insert Section 2.03.6: FINANCIAL MATTERS: Fixed Assets

Staff shall maintain a listing of fixed assets and update it monthly to record any additions or disposals. Depreciation shall be recorded monthly on a straight-line basis over the estimated useful lives of the related assets.

Insert Section 2.03.7: FINANCIAL MATTERS: Time Sheets and Expense Allocation

Each employee shall submit a timesheet at least once per pay period to reflect the number of hours worked, allocating such time to corresponding categories specified in the annual budget. Time sheets shall be reviewed and approved prior to employee time being entered in the payroll system. Payroll costs for each employee shall be allocated to expense categories in proportion with approved time. Separate general ledger accounts shall be used for allocated payroll costs.

Where appropriate, an expense shall be allocated to one category. Expenses that benefit more than one category or that are general administrative in nature shall be allocated to a general administrative account in the general ledger. Those expenses shall then be allocated on a monthly basis to expense categories in proportion to the allocation of payroll costs. Separate general ledger accounts shall be used for allocated general administrative costs.

Monthly financial statements shall separately report allocations of payroll and overhead to corresponding categories.

Insert Section 2.03.8: FINANCIAL MATTERS: Inventories

Staff shall maintain an inventory listing of promotional and other inventoried items, costing units on a first-in, first-out basis. The list shall be updated periodically and an inventory count shall at a minimum be conducted annually at year-end. The results of each count shall be reconciled to the general ledger and accounting entries shall be made to ensure accurate presentation of ending inventory on the financial statements.

2.04.3: Legal Matters: Contracts and Contract Approval

All contracts or modifications thereto shall be in writing and shall document the nature of the products or services to be provided and the terms and conditions with respect to the amount of compensation/reimbursement or other consideration to be paid.

The Chair shall approve any contract in excess of \$7,500.

All contracts of more than one year in duration or for more than \$25,000 shall be reviewed and approved by General Counsel prior to signing by the Chair.

No agreement involving a financial transaction with a related party shall be executed unless first approved by the LNC. Any such agreement shall be disclosed in a conflict of interest statement.

Independent contractors doing business with the LNC are required to sign formal contracts that clearly set forth the parties' intention that they be treated as independent contractors.

Each contract for director-level employment must be circulated to the LNC on a strictly confidential basis after it has been reviewed by Counsel and the EPCC.

Insert Section 2.03.9: FINANCIAL MATTERS: Related Party Reporting

For each related party engaging in one or more financial transactions with the Party, all interim financial statements shall include a report of the status, nature and current and year-to-date amounts with respect to such transactions, including contributions, expenses, loans, commitments, guarantees or any other transaction.