



## LWVSFC OPPORTUNITY FUND POLICY

### **PURPOSE**

The purpose of the Opportunity Fund of the League of Women Voters of Santa Fe County (LWVSFC) is to provide funding for non-recurring operating and/or program expenses that were not anticipated during the budget development process. Opportunity Funds should be considered a one-time-only resource to allow the LWVSFC to take advantage of an unbudgeted need/opportunity to advance the work of the organization. The Opportunity Fund Policy will be implemented in concert with the other governance and financial policies of LWVSFC.

### **DEFINITION AND ACCOUNTING**

The Opportunity Fund is defined as an optional reserve fund, to be set aside by action of the LWVSFC Board of Directors. The amount to be allocated to the Opportunity Fund, if any, will be recommended by the Budget Committee as part of the budget development process, and approved by the Board. The Opportunity Fund will be recorded in the financial records as a Board-designated fund.

### **FUNDING**

The Opportunity Fund can be funded with surplus unrestricted operating funds, above and beyond those needed to balance the budget. The Board of Directors may from time to time direct that a specific source of revenue be set aside for the Opportunity Fund. Examples include one-time gifts or bequests, special grants, or special appeals.

### **USE OF OPPORTUNITY FUND:**

Use of the Opportunity Fund requires three steps:

- 1. Identification of an appropriate use:** A proposal for the use of Opportunity Funds can be made to the Budget Committee by any Board Member or Committee Chair. The proposal should describe the need/opportunity that has arisen, specify how much funding would be needed, and explain how the funding would be used to advance the work of the organization. The Budget Committee will review the request and forward it to the Board with a recommendation for or against approval.
- 2. Authority to use the Opportunity Fund:** Board approval is required prior to the use of any funds from the Opportunity Fund. If the Budget Committee has recommended approval, the Executive Committee may approve the temporary use of funds, but the approval of the full Board must be requested at the first opportunity.
- 3. Reporting and monitoring:** The Board is responsible for ensuring that the Opportunity Fund is maintained and used only as described in this Policy. Upon approval of a proposal to use the Opportunity Fund, the Treasurer will establish a budget for that project and account for the expenditures. The Treasurer will provide regular reports to the Board on the status of the Opportunity Fund.