

Montana Indian Education Association



Policies and Guidelines for the Board of Directors

August 20, 2009

MIEA Policies and Guidelines for the Board of Directors

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Montana Indian Education Association (MIEA)

Governance and Leadership

The Montana Indian Education Association is a non-profit tax exempt corporation directed by the Board of Directors. The Board is responsible for carrying out the purposes of the Corporation and providing leadership and strategic direction to the Corporation. It will set policy and ensure that MIEA has adequate resources to carry out its mission. The Board provides direct oversight and direction for any staffing. Also, it will evaluate its own effectiveness as a governing body in upholding the public interest(s) served by the organization.

The Legal Duties of MIEA Board of Directors

The MIEA Board is held to basic legal duties as a matter of state law, common law, and federal law. The core fiduciary duties are the duty of care, duty of loyalty, and duty of obedience to mission.

- **Duty of Care** — A director of a nonprofit organization shall discharge all his/her duties as a director, including those performed as a committee member

...in good faith;

...with the care that an ordinarily prudent person in a similar position would exercise under similar circumstances; and

...in a manner the director reasonably believes to be in the best interests of the organization.

The duty of care entails a duty of reasonable inquiry. Each director is obligated to ask questions and secure information to allow him/her to have sufficient information and understanding to make decisions he/she reasonably believes are in the nonprofit's best interests.

- **Duty of Loyalty** — Directors are obligated to exercise an undivided and unselfish loyalty to the organization they serve. Directors must exercise their obligations and powers in the best interests of the organization and its charitable mission, not in their own interests or in the interests of another person or entity (even if charitable in nature).
- **Duty of Obedience** — Directors are obligated to further the mission of the organization they serve, to be faithful to its purposes and goals, and to act in conformity with all laws affecting the organization.

Practices of the Board

General

All of a nonprofit organization's powers are exercised by or under the authority of its board of directors, under whose direction the affairs of the organization are managed.

MIEA's Governing documents include the Constitution, By-Laws, and the IRS Tax Exempt Requirements.

The MIEA Board of Directors:

- serves as the Governing Board for the Corporation Status with the State of Montana.
- will not receive any compensation for services other than reimbursements for board-related expenses (travel to meetings, etc.) that are approved by the Board.
- should fully understand their roles and responsibilities to the organization and to the public; they should be prepared to articulate the organization's mission and vision and describe its programs to the public.
- assumes overall responsibility for ensuring sufficient funds are raised to meet the organization's budgeted objectives.
- when hiring any staff or consultants, should establish a hiring plan that supports the comprehensive organizational plan and identifies the skills and experience needed to meet long-term goals as well as setting reasonable compensation for staff/consultants.
- should adopt a written conflict of interest policy regarding board members, staff, volunteers, and consultants and other contractors, and should adhere to this policy in all dealings.
- should establish and implement a code of conduct governing the professional behavior of board members, including a requirement that every director publicly support actions taken and decisions made by the board.
- at least every other year, should review the organization's bylaws, mission statement, and governance policies, and amend each as needed to reflect organizational growth and development.

MIEA Advocacy and Public Policy

Advocacy: MIEA encourages board members, staff, volunteers, and friends to act as advocates and ambassadors for the organization and for betterment of Indian Education in Montana.

Any individuals who are authorized to act as advocates or representatives should be knowledgeable about the programs and activities of the organization and be prepared to speak on its behalf when appropriate.

Information provided to the general public, the media, and policy makers becomes a matter of public record. Therefore, in order to avoid misunderstanding or manipulation of the message, MIEA must ensure both that the information is timely and accurate.

Public Policy: MIEA will participate in and support the formation and amendment of public policy consistent with the organization's mission. MIEA will assist its constituencies in public and civic engagement by encouraging citizen participation in local, state, and federal policy-making efforts.

Lobbying: MIEA will adhere to all legal expenditure requirements and limitations and is subject to state and federal reporting requirements. MIEA must file accurate and timely reports on its lobbying activities with the Internal Revenue Service and the Montana Commissioner on Political Practices.

Any federal funds received by MIEA will not be used for lobbying.

Political Advocacy: MIEA will carry out only non-partisan activities. MIEA will not make a contribution or expenditure in connection with a candidate or a political committee that supports or opposes a candidate or a political party and may not engage in any activity that promotes or discourages a vote on behalf of any individual candidate.

Financial Management Procedures

To insure an accurate fiscal management system of MIEA revenues and expenses following are procedures that have been adopted by the Board of Directors. As a Tax Exempt Corporation, under IRS 501 C (3) all records are open for review.

MIEA Treasurer will maintain primary responsibility for carrying out the fiscal management procedures for MIEA and will coordinate activities with the Chairperson and other members of the Executive Committee as needed.

Income/Revenues: All income/revenues received will be supported with bank deposit slip. Copy of check or other supportive information for income/revenue should be attached to this form. All deposits will be made in a timely matter.

Checks can be deposited by either of the two people on signature card. Account code will be noted on the form.

Expenses: All expenditures made must be approved by the MIEA Board of Directors. This approval will be done through the approval of expenses at meetings as well as through the presentation of fiscal reports presented at the Board of Director's meetings.

Expenditures can be made for ongoing MIEA operational expenses such as postage, copying costs, conference call billings, filing of annual report, travel advance requests, etc. These will be reviewed at the next will be reviewed at the next Board of Director's meeting for approval.

All expenditures will need a "Voucher for Payment" completed. Documentation to support payment should be included on this Voucher for Payment or attached to the voucher. Check information will be recorded on this along with the appropriate code for posting.

All checks written will have one of the two signatures (Chairperson or designee and Treasurer). Checks should not be written without documentation.

Reimbursements of MIEA expenditures will be made based on documentation to support the expenditure and approved by the MIEA Board of Directors.

Investing: Any investment of MIEA revenues will be done only with MIEA Board Approval.

Travel: MIEA board members will receive payment for expenses incurred in attending Board meetings and other travel as approved by the Board. Other individuals approved for travel by the board will use the same rates. Expenses will include mileage, meals and motel costs. These rates will be set by the MIEA Board on a yearly basis.

- Meals for travel – Meals will be paid for traveler while he/she is in travel status to and from meetings/conferences based upon a reasonable expectation of time it takes to travel from his/her home to meeting site, any time needed for preparation for meeting/conference and return home after conclusion of meeting/conference. (*example: 2-3 hours between Browning and Great Falls*)

- Meals at meeting/conference: Meals will be paid for traveler while he/she is in attendance at meeting or conference unless the meal is provided as a part of the conference or meeting.
- Motel Expenses: MIEA pays for motel rooms for approved travel that requires an overnight stay. This is done either on direct billing or on reimbursement basis.

If it is a reimbursement, motel receipt must be presented before motel costs can be paid.

High School Student Board Member will have his/her room paid as well as chaperone's room if there is a need for two rooms.

For safety of individual's travel, when meeting/conference adjourns and board member is not expected to be able to return to his/her home by 9 p.m., he/she upon request, will be provided an additional night's lodging at the meeting site or at a site along the way home.

- Out of State Travel: MIEA does not cover out of state travel for any Board member.
- Travel/Trip Reports: For Board members and others who travel/attend other activities that have been approved by the MIEA Board, a written report will be due to the full board within two weeks of the activity (should be submitted by email, fax, and or regular mail). If no report is filed, the travel expenses provided will be required to be reimbursed to MIEA. Travel/Trip reports will also be presented at next Board meeting.
- Emergency Travel: Emergency Travel expenses for MIEA Board members, or other individuals who will be carrying out MIEA business can be approved by two members of the Executive Committee and a report of this emergency travel approved filed with the Board.
- Travel Advances: In the event travel advances are requested for travel approved either by Board Action or through the Emergency Travel Policy, only 80% of the Travel costs will be paid. The additional amount owed will be approved along with the travel request itself at the next Board meeting.

In the event that travel advances are not used by the MIEA Board member or individual the advance was provided to, reimbursement of this travel advance will be made within 30 days. The MIEA Treasurer will be responsible for appropriate follow up to insure reimbursement.

Board Member Compensation: In accordance with the Constitution/Bylaws, MIEA Board members cannot receive any salary or fees for services.

Debts to Corporation: If any Board member, other individual, or organization owes funds to MIEA (registration fees, membership fees, travel costs, etc.) the Treasurer will keep records of all debts and repayment and this will be included on the fiscal reports to the board. It is expected that any debts will be repaid within a reasonable time as determined by the Treasurer.

If not repaid, Treasurer will send a notice to the individual/organization with a request for payment and set up a repayment plan if necessary.

For any debts not repaid, the Board of Directors will take appropriate action.

Consultants: Consultants may be hired from time to time to assist with MIEA's activities. The Board of Directors will approve consultant fee and expenses.

A contract shall be written for every consultant specifying fees, expenses, and what the consultant will do for the association.

IRS Reports (1099's) will be filed for all contracts paid as required under IRS rules.

Staff: Approved-November 9, 2002 MIEA has no staff at this time. As staff is hired, policies will be developed.

MIEA Representation at meetings: If there has not been any official action taken for Board members to attend a meeting that might be beneficial to have MIEA Represented, the Board Chair can ask a Board member or other individual to represent MIEA at this meeting. This action will be reported to the MIEA Board. It is expected that a report will be filed by the individual who attended the meeting.

Record Keeping and Reporting

Accounts: Revenue and expenditures will be documented in accordance with a chart of accounts that will comply with reporting requirements of the Board and IRS.

Financial Records Management Support: MIEA may contract with qualified contractor to provide records management for all income and expenditures, bank reconciliations, and reporting requirements to MIEA Board, IRS, and others.

Board Reports: The Treasurer will be responsible insure that financial reports will be submitted to the Board of Directors on a minimum of a quarterly basis as well as an annual report. These reports will include verification that the bank statement has been reconciled, any new income, expenditures, accounts receivable, accounts payable, and list of any investments.

Annual MIEA Membership Report: The Treasurer will prepare a fiscal report and submit at the annual convention for membership's review. This report will include a listing of all income received, expenses by function (Board meetings, conferences, meetings attended, consultants, etc..), and other information that will support the report.

Tax Exempt Receipts: Anyone who requests a receipt for a donation, will be sent a receipt by the Treasurer and records maintained.

IRS Reports: The Treasurer will prepare the necessary reports for IRS to insure compliance with requirements for Tax Exempt Status. An accountant may be hired with approval of the Board to assist with this reporting.

Annual Corporation Report: The MIEA Chair or designee will be responsible for filing the annual corporation report with the Montana Secretary of State's Office.

Audit Requirement/Records Review: MIEA has no audit requirements at this time. MIEA will complete its own records review on a minimum of an annual basis with members of the Board designated to do an internal review of records of expenditures and income to determine if appropriate documentation is included with a report of this review provided to the full MIEA Board of Directors.

In-Kind Contributions: Record of volunteer and other in-kind contributions will be maintained by MIEA on a yearly basis. (Board of Director's time and resources contributed and other organizations/individuals/business who have provided support)

Records of Equipment: MIEA will use the federal definition of equipment that is tangible, nonexpendable, personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit. Inventory records shall be maintained on the equipment as required by IRS or by the grant the equipment was purchased with.

Meetings – Communications - Voting

Board Meetings: The Board will have meetings on a minimum of a quarterly basis as specified by the Constitution and By-Laws, but to maintain effective communications calls will be scheduled as needed to clarify any on-going issues and maintain communications necessary.

In addition, communications via electronic mail, fax, and personal mailings will be ongoing as needed by the Chairperson and other board members to keep each other informed on activities.

Board Agendas: The Chair will be responsible for setting the agenda. Board members are responsible for contacting the Chair asking to place items on the agenda at least one week prior to the meeting. Agendas will be reviewed at meetings with additional items added upon Board member request if time permits. Otherwise this request will be placed on future agenda.

Committee Actions: In order to provide for more effective communications, a committee can take action only for activities that it has been previously authorized by the Board. Final approval of Committee plans should be presented to the Board for approval at a regular meeting/special meetings conference call meetings.

Communications: In order to carry out the purposes of the MIEA, Board members are responsible to the membership and each other to maintain effective communications. Each Board member has an individual responsibility to maintain on-going communications with the Board on their MIEA activities. As Board members it is important to be able to be an advocate for or against various policy issues impacting Indian Education in Montana.

In order to be effective in serving the membership, it is important to keep each other informed on board activities, information that would be helpful in carrying out the purposes of MIEA and to respond to requests for information from other board members on a timely basis. In the event a response is needed for a certain action that a Board member is working on, Board members will be given a reasonable timeline to reply to a request and if they do not reply within this time period, it will be considered that they agree with position recommended by the Board member who is submitting the draft request.

MIEA Board positions on any specific issue that must be taken outside of Board meetings must be submitted to the Board for their review/approval. A timeline will be provided for response and it is expected that Board members will respond. If they do not respond within the time provided, it will be considered that they agree with the position.

Email Voting Policy: Board member decisions that require a vote should be made at regular or special called meetings, including conference calls. But, in the event there is a decision needed on certain issues a vote by email can be done. The Board can take action at their meetings to allow an email vote on specific issues.

Board decisions can be made through an email vote through the following process:

Board member will make a motion in writing to the Chairperson for action. The Chairperson will email all members. (Those members who do not have access to email will need to be notified by fax or phone. Members will be allowed to have up to two working days for voting. A minimum of five members will need to vote on the issue (notifying the Chairperson by email, phone/fax) with a minimum of 3 voting in favor for the motion to be approved.

The Board will be notified of the vote as approved or disapproved. Copies of the email votes will need to be kept and provided to the MIEA-Secretary for documentation and submission to next Board meeting.

MIEA Retention and Destruction Policy

A. MIEA recognizes the importance of maintaining records for many reasons both legal and historical.

B. Method of Retention: MIEA may maintain records in electronic form or paper or in any other safe and reliable manner. Records shall be stored in a secure location, which may be in the MIEA offices or in a storage facility or other location.

C. Document Destruction, Including Prohibition on Document Destruction

- Documents not covered by this policy shall be destroyed when no longer useful to MIEA and the files of MNA should be periodically culled of such documents.
- Documents covered by this policy must be maintained for the period established in this policy, at a minimum, but may be maintained for a longer period of time.
- Documents may not be destroyed and must be preserved and not altered in any manner if MIEA knows or has been informed that they may be relevant to an investigation by any government entity or to litigation or potential litigation.
- Documents that must be maintained and retention periods:

Legal Documents:

Articles of Incorporation and any amendments.....	Permanently
Annual filing with the Sec. of State.....	Permanently
By-Laws and any Amendments.....	Permanently

IRS Form 1023 and amendments.....	Permanently
IRS Letter recognizing MIEA's Tax Exempt Status.....	Permanently

Records:

Minutes.....	Permanently
Financial Statements and budgets of Board/Committee.....	Permanently
Board Member lists, contact information and terms.....	Permanently
Board Resolutions.....	10 years
List of membership.....	Permanently
Record of membership fees paid by each member.....	10 years
List of non-voting affiliates, dates, and contact Info.....	Permanently
Fees paid by non-voting affiliates.....	10 years
MIEA Board policies.....	Permanently
Any evaluation of organization in achieving its desired results....	10 years
Reports from consultants on key projects.....	10 years
Files on any programs costing more than \$25,000 during any Fiscal year.....	10 years

Financial Statements

Federal and State Annual Tax Returns and amendments....	Permanently
Business Records that support federal and state tax returns..	8 years
Financial reviews by outside CPA's or audited financial statements.....	Permanently

Donations and Grants

Records of all donations, names/contact of donor, limitations on use and disbursements.....	Permanently
Grant Records kept as required by grant program.....	Permanently

Personnel and Employment records..... 10 years after termination

Contracts or other documents creating legal obligations or potential
Legal liabilities..... 10 years after termination