

**Yellow Springs Senior Citizens
Policies and Procedures**

Financial Policies

Signatures

The signatures of two of three authorizing individuals shall be required prior to withdrawal of any funds from investment accounts. These three individuals are the Executive Director, the Board President, and the Board Treasurer. (Adopted August 2013)

Investment Policy for YSSC Endowment Fund

That the following asset allocation guidelines be used for the Yellow Springs Senior Center Endowment Fund held by the Yellow Springs Community Foundation:

- a. At least 2% of assets shall be invested in cash equivalents with maturity one year or less.
- b. At least 30% of assets shall be invested in investment grade bonds and securities with laddered maturities not to exceed 10 years.
- c. At least 60% of assets shall be invested in common stocks of profitable companies with strong balance sheets.

The objective is to produce an average annual income yield that will support a yearly 5% distribution and allow for long-term growth of the fund.

In addition, the Board of Trustees will periodically review the floor position as the fund grows in value. (Adopted December 2004)

Purpose and uses of reserve funds and investment strategies

The purpose and uses of reserve funds are to:

- a. Protect against extraordinary events or charges
- b. Generate dividends and income for operating budget
- c. Provide for growth of resources
- d. Manage cash flow problems

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The following investment strategies are to be used:

- a. Maintain a minimum reserve approximately equal to one year's operating expenses
- b. Earmark \$10,000 of reserves to meet cash flow needs during the fiscal year— allocation of reserve funds to approach a 50/50 division between growth and income investments
- c. Limit our brokerage relationships to no more than two
- d. Draw dividends and interest from investments in cash to support the annual operating budget
- e. Reinvest capital gains for growth

Capitalization Policy

Assets will be expensed in the period purchased if these assets cost \$500 or less individually. Fixed assets costing in excess of \$500 individually and that are expected to have value to the organization in more than one accounting period will be capitalized. Repairs and improvements to real property and leasehold improvements will be capitalized if they cost in excess of \$1,000 individually. All capitalized assets will be depreciated in accordance with the organization's depreciation policy. (Adopted ??)

Depreciation Policy

Fixed assets will be depreciated using the straight-line method of depreciation and according to the following schedule: (Adopted ??)

Class	Depreciation Period
Real Property	30 years
Electronic Equipment	5 years
Building repairs and improvements	Period based on an analysis of the time repair or improvement is expected to improve the property
All other fixed assets	10 years

Unrestricted Bequests and One-Time Gifts Greater Than or Equal to \$2000

Note: Does not include Annual Appeal Gifts (Adopted February 2015)

Deposit into checking account or reserve fund:

- Expend for operations to make up for budget shortfall
- Expend for capital improvements or purchases:
 - For expenditures already approved by Board of Trustees
 - For expenditures that require approval by Board of Trustees