

Cherokee Association of REALTORS[®], Inc.

FINANCIAL POLICIES AND PROCEDURES MANUAL

Revised 11.18.2024

INTRODUCTION

The financial strength of the Cherokee Association of REALTORS®, Inc. (the Association) has been gradually achieved through the vision and collective efforts of many hard-working, dedicated individuals. Because the Board of Directors is legally responsible for the financial stability of the Association, it must develop and maintain a system of financial accountability, a financial plan that reflects the mission of the Association, a sound investment strategy and adequate reserves.

Virtually every activity of the Association and its affiliated corporations and financial entities involves day-to-day financial transactions that demand guidelines in the form of written policies and procedures. Until the publication of this manual, those guidelines have been a combination of several bylaws, a limited number of written policies and procedures approved to address specific problems, and numerous unwritten policies and procedures that have evolved through the need to conduct routine business.

As membership has increased, the Association has made the necessary adjustments to support the growing needs of its members. Accordingly, it has become necessary to expand and formalize those guidelines to ensure the proper handling of the financial aspects of the Association.

The result is this Financial Policies and Procedures Manual. While every effort was made to include a comprehensive set of guidelines, this manual should be viewed as a "living" document and continuously modified in order to maintain it as a viable resource.

The finances of the Association and its affiliated corporations and financial entities are unique and somewhat complicated. Additionally, management of a non-profit corporation demands a thorough understanding of the "non-profit" business philosophy, and the different terminology incorporated into the financial statements. This manual was written in a logical, user-friendly manner and includes not only policies and procedures but also copies of pertinent documents and forms. It will provide staff with proper direction and enable leadership and the Board of Directors to better understand the internal financial statements of the Association and be better prepared to make sound management decisions.

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SECTION ONE: FINANCIAL CONTROLS

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ACCOUNTS PAYABLE

Prior to payment, all accounts payable documents shall be reviewed and approved by the appropriate staff, member(s) and/or committee(s). When possible, only original documents should be submitted after approval.

Payments for routine accounts payable items will be issued upon receipt of bill or invoice. Paid invoices will be stamped or otherwise marked as paid once a check is generated. Staff should ensure that payment requests with the necessary documentation are submitted in a timely manner.

Every effort shall be made to resolve any discrepancy in an accounts payable item in a timely manner.

Unless authorized by the Executive Committee, all accounts payable shall be paid far enough in advance of the due date to avoid any late fees or penalties.

Whenever economically beneficial, the Association shall take advantage of discounts offered for early payment or bulk purchases.

ACCOUNTS RECEIVABLE

All available means of collecting accounts receivable should be exhausted prior to initiation of write-off procedures. Write-offs shall be initiated by a written request from the Accounting Department to the Executive Committee with copies to the appropriate staff member(s).

The Accounting Department shall add the company or individual to the list of poor credit risks and, effective on the date of the request for a write-off, no additional credit will be extended to that company or individual.

For accounting purposes, the write-off of an account will be treated as bad debt expense.

BANK ACCOUNT RECONCILIATION

All bank statements shall be reconciled by the Accounting Department within five (5) working days after receipt, or as soon thereafter as possible. The reconciled bank statements shall be reviewed and approved (by initialing the statements or electronic communication) by the Treasurer.

Voided checks shall be retained and filed with the bank statement.

Association Executive, President and Treasurer shall be a signatory on all bank accounts.

BID REQUIREMENTS

The Association shall require a minimum of three (3) competitive bids or quotes for all expenditures in excess of \$2,500.00.

Business between the Association and companies owned by board members or employees/ spouses of the Association may be acceptable when there is a decided advantage to the Association, and with final approval of the President and Board of Directors.

Vendor services such as accounting, insurance, retirement plan services, legal, equipment maintenance, and printing shall be evaluated annually, through the contract review process.

Except as noted below, the decision to approve a vendor shall be made by the CEO

The decision to change certified public accountants shall be made by the Executive Committee with final approval by the Board of Directors. Changes to legal counsel shall be made by the Executive Committee with final approval by the Board of Directors.

BONDING OF EMPLOYEES

Currently, the Association does not bond employees involved in financial matters.

BUDGET

The operating budget is the basis of the financial plan for the Association and its affiliated corporations and financial entities. Accordingly, the operating budget should be conservatively realistic by projecting income marginally low and expenses marginally high.

The preliminary operating budgets for the Association for the subsequent fiscal year shall be prepared by the Finance and Building Committee to be voted on by the Board of Directors at the October meeting.

Once the operating budget is adopted, adjustments shall be made quarterly through a forecast and will be made available to the Finance & Building Committee for review throughout the year.

CERTIFIED PUBLIC ACCOUNTANT

The Association has engaged on an annually renewable basis a firm that has been approved by the Finance & Building Committee. The Finance & Building Committee shall be authorized to negotiate the terms and conditions of the engagement. Any change in Certified Public Accountant(s) must be approved by the Finance & Building Committee.

The duties and responsibilities of the certified public accountant(s) shall be:

Conduct a compilation, review, or audit for the corporations and financial entities affiliated with the Association as necessary.

Prepare a management letter outlining problems or concerns discovered during the audit

Meet with the AE and Finance Committee to review said management letter and the audited financial statements and to provide appropriate advice and counsel, and make appropriate recommendations for corrective measures wherever needed

Prepare annual federal income tax returns and annual state of Georgia income tax returns for the Association and its affiliated corporations and financial entities.

Consult with the Accounting Department regarding general financial matters, tax issues and internal controls

Regularly review company accounting file for accuracy and recommend changes and/or general journal entries.

Be available to answer general accounting/bookkeeping questions as they arise.

CHECKING ACCOUNTS

The Association and its affiliated corporations and financial entities shall maintain an appropriate number of checking accounts to conduct the business of the Cherokee Association in an efficient, cost-effective manner. The Treasurer, with the approval of the Board of Directors, shall have the authority to open and/or close checking accounts as deemed necessary and to designate how the checking accounts will be utilized.

An adequate supply of pre-numbered checks for each account shall be maintained. Unused checks shall be stored under lock and key.

The Board of Directors, shall designate authorized signatories for all checking accounts of the Association and all its affiliated financial entities.

All disbursements require backup documentation, such as an invoice, expense voucher or check request form. Proper approvals by the Executive Committee are required for all payments not within budget. The Association shall provide direct deposit of payroll checks and employee expense reimbursement for all employees..

Signed checks that have not been mailed or distributed shall be stored under lock and key.

Voided checks shall be retained and filed with the respective bank statement.

CONTRACTS

All contracts, contract renewals and other instruments obligating the Association and its affiliated corporations and financial entities shall be reviewed and approved by the appropriate staff, leadership, committee(s) and, when deemed necessary, legal counsel.

If the financial implication of signing a contract, a contract renewal or other instrument is not included or exceeds the authorization in the operating budget, approval by the Board of Directors is required before any such document may be signed. After obtaining the necessary approval(s), the AE or President shall sign all contracts, contract renewals and other instruments obligating the Cherokee Association and its affiliated corporations and financial entities.

A copy of all signed contracts and other instruments will be retained by the Association.

MAINTENANCE AGREEMENTS

The AE shall be authorized, within budgetary limits, to enter into maintenance agreements for office equipment, computers, building and grounds, etc. as deemed necessary and appropriate. Maintenance agreements shall be written agreements and shall meet the standards of the contract review checklist.

EQUIPMENT LEASES

The AE shall have the authority, within budgetary limits, to enter into lease agreements for office equipment as deemed necessary and appropriate. Lease agreements shall be written agreements and shall contain provisions for insurance, maintenance, beginning and ending date, payment schedule and an option to purchase, renew or return the equipment.

For accounting purposes, equipment leases shall be recorded as either a capital lease or an operating lease based on appropriate qualification criteria as determined by the certified public accountant.

CONTRIBUTIONS AND DONATIONS

The AE shall have the authority, within budgetary limitations, to make contributions or donations to charitable organizations on behalf of the Association as approved by the Board of Directors.

CREDIT CARDS

The Association shall authorize the use of credit cards by certain members and staff. The titles of those members and staff so authorized and their respective credit limits are as follows:

<u>TITLE</u>	<u>SHARED-CREDIT LIMIT</u>
Association Executive	\$25,000

The AE or President, with the approval of the Board of Directors, shall have the authority to terminate existing cards, issue additional cards and increase or decrease credit limits as needed.

The credit cards shall not be used for any purpose other than to charge goods and services utilized for the benefit of the Association.

All receipts for expenditures shall be turned in or forwarded to the Accounting Department within ten days.

All receipts for expenditures for entertainment shall note on the back of the receipt the name(s) of the attendees, their title(s) and the purpose for the expenditure.

Monthly billing statements will be routed directly to the Accounting Department. A scanned copy of each cardholder's monthly billing statement will be sent via email to the CEO for review and to each respective cardholder for verification that all receipts have been turned in. When the receipts match the billing statement, all documentation will be made available to the CEO for review and approval. The monthly billing statement for the CEO will periodically be reviewed by the Vice President of Administration and Finance.

When the receipts do not match the billing statement or when receipts have not been turned in or forwarded to the Accounting Department, a request for the receipt or a duplicate copy shall be made. Lack of receipts will not delay payment past the due date. Any necessary credits or adjustments shall be made on subsequent billing statements.

At the discretion of the AE, any cardholder who repeatedly fails to provide the necessary receipts or information shall lose credit card privileges.

JOURNAL ENTRY REVIEW

A list of all manual journal entries made into the accounting system for the previous month will be provided to the Treasurer for review and approval on a monthly basis at the same time the bank reconciliations are made available for review.

LOANS

The Association or any corporation or its affiliated financial entities shall not borrow money or make loans to any person or entity for any reason without the prior authorization of the Board of Directors.

PETTY CASH

The Association shall maintain a petty cash fund not to exceed One Thousand and 00/100 Dollars (\$1,000.00). Said fund shall be maintained by the Association Executive and kept under lock and key at all times.

The AE shall have the authority, within budgetary limits, to approve use of the petty cash fund for miscellaneous cash purchases and reimbursement for out-of-pocket cash expenditures. A cash receipt or adequate documentation for all cash expenditures shall be required.

The Association Executive shall reconcile the petty cash fund on a regular basis. The reconciliation will be signed off by the Treasurer.

POSTAGE

The Association shall purchase postage stamps as needed within budget to be used for general association mailings.

PROCESSING OF CREDIT CARD SALES

The Association and its affiliated corporations and financial entities shall accept Visa, MasterCard, Discover and American Express for products and services, registration fees, tuition payments, etc.

When possible, the Association will utilize the E-Commerce platform provided by the National Association of REALTORS®(NAR). All credit card charges using E-Commerce will be made through a system that has undergone the NAR review process for E-Commerce systems. Daily credit card processing reports are available to the Accounting Department for daily posting of credit card receipts.

If the E-Commerce platform is not available for use in a particular application, the Association may use an alternate credit card processor, such as Paypal, Square, Stripe or EventBrite.

PURCHASING

Departmental staff will submit their purchase requests to their respective Department Head for review and approval (either signature or electronic approval).

Purchases outside of the budgetary limits shall be submitted to the Finance & Building Committee for review and approval.

RECEIPT OF CASH AND CHECKS

The Association and its affiliated corporations and financial entities shall accept cash or check as payment for products and services, registration fees, tuition payments, etc.

Any employee of the Association who accepts or receives checks or cash as payment for products and/or services shall turn such check(s) or cash over to the Accounting Department as soon as possible.

The Accounting Department shall endorse all checks FOR DEPOSIT ONLY to the appropriate account upon determination of said account.

All checks received by the Association and its affiliated corporations and financial entities shall be deposited via electronic check scanner by the Accounting Department. Cash and checks that are unreadable by the scanner will be deposited in the bank on the date of receipt or at the earliest available time.

REIMBURSEMENTS

The AE shall have the authority, within budgetary limits, to reimburse staff and members for personal expenditures on behalf of the Association. The AE's expense reimbursements will be approved by the Treasurer.

SALARIES

Staff salaries are established annually by the Finance & Building Committee and subject to aggregate approval by the Board of Directors at the time the annual operating budget is approved. The salary review process will utilize comparability data when determining salaries for key employees.

The Association shall not make salary advances to employees.

TRAVEL AND TRAVEL-RELATED EXPENSES

State Directors shall receive a stipend to assist with the travel costs from two (2) Georgia Association of REALTORS® conferences. The stipend will be determined annually and voted on by the Board of Directors.

President shall receive a stipend to attend the National Association of REALTORS® Mid-Year Conference in Washington DC. The stipend will be determined annually and voted on by the Board of Directors.

President-Elect shall receive a stipend to attend the National Association of REALTORS® Fall Conference and Expo. The stipend will be determined annually and voted on by the Board of Directors.

Travel expenses for the National Association of REALTORS® Leadership Summit shall be provided for the President-Elect and CEO/AE.

Expenses for other leadership related events will be budgeted annually.

CEO/AE travel expense shall be covered in full for approved events.

Approved expenses include early-bird registration fees, special ticketed conference events, meals not covered at conference, mileage, gas, hotel.

Necessary documentation to receive travel stipends must be turned in to CEO/AE within 30 days of returning from trip. Failure to turn in necessary documentation within this time frame will result in a forfeiture of stipend.

See Appendix C - Expense Reimbursement Request Form

PRESIDENT'S DISCRETIONARY FUND

The President shall be given a President's Discretionary fund to use throughout the year for miscellaneous expenses not included on the annual budget. The amount will be determined annually by the finance and building committee and approved by the board of directors. Expenses shall fall within the scope of the association's Strategic Plan.

VOIDED CHECKS

The Association and its affiliated corporations and financial entities shall maintain a record of all voided checks and document every check that has been voided, regardless of the reason.

In the event a voided check is not physically available, a stop payment will be issued on checks \$100.00 and above and a copy of the bank's stop payment order will be filed with the bank statement.

WRITE OFF PROCEDURES FOR "STALE" CHECKS

In the event a check drawn on any account of the Association, or its affiliated corporations or financial entities has not cleared the bank after six (6) months, every effort will be made to contact the payee to determine why the check has not cleared the bank, and to confirm or obtain a correct mailing address. If deemed appropriate and economically feasible, the AE shall be authorized to issue a stop payment on the

original check and replace any lost or stolen check. Stop payments will be issued on checks \$100.00 and above.

Any checks that remain outstanding for twelve (12) months shall be voided and, for accounting purposes, credited to the expense account originally charged.

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COLLECTION PROCEDURES

Payment for all products, services, education courses, etc. is due at the time the request for the product or service is made. However, in the event that it becomes necessary to initiate collection procedures, all available means of collecting should be exhausted prior to initiation of write off procedures. Collection procedures will not be performed by the Accounting Department.

The collection procedures, in chronological order, are as follows:

1. A telephone call and email to the party responsible for payment requesting payment.
2. If staff is unable to reach the party responsible for payment by telephone or email, or if the matter has not been resolved within ten (10) days following the telephone call or email referenced above, a letter with any necessary documentation demanding that the matter be resolved within ten (10) days shall be sent to the last known address of the party responsible for payment. Designated REALTOR® will be notified that the member's NRDS ID will be terminated.
3. If payment has not been received within ten (10) additional days member will be terminated in NRDS.
4. At sixty (60) days past due, invoice shall be written off in the accounting system.

INVESTMENTS

The investment objectives of the Association are:

- (1) Obtain the highest level of principal safety possible
- (2) Obtain the highest interest rate level possible respective of risk tolerance
- (3) Receive timely interest payments commensurate with cash flow needs

These objectives shall be achieved by:

- (1) Investing in U. S. Treasury and/or U. S. Government Agency securities where principal and interest payments are backed by the full faith and credit of the U. S. Government in the form of direct obligations and with interest payments during months when anticipated cash flow needs have been identified
- (2) Investing in Certificates of Deposit that are fully insured by the FDIC, and with interest payments during months when anticipated cash flow needs have been identified.

RESERVES

In accordance with ASAE guidelines the association should maintain in reserve accounts a minimum of 50% of its annual operating budget.

RESERVES ADJUSTMENTS

If the year-end audited Statement of Assets, Liabilities and Net Assets for the Cherokee Association shows that the CASH plus CASH EQUIVALENTS plus INVESTMENTS less LIABILITIES and DESIGNATED FUNDS is more than the total RESERVES authorized in this Financial Policies and Procedures Manual, the Finance & Building Committee shall make a recommendation, subject to approval by the Board of Directors, to (1) propose an operating budget for the following year with a projected net loss (excluding depreciation) to eliminate the overage, or (2) adopt other budgetary proposals for the following year that will eliminate the overage or (3) increase reserve levels by an amount necessary to eliminate the overage.

If the year-end audited Statement of Assets, Liabilities and Net Assets for the Cherokee Association shows that the CASH plus CASH EQUIVALENTS plus INVESTMENTS less LIABILITIES and DESIGNATED FUNDS is less than the total RESERVES authorized in this Financial Policies and Procedures Manual, the Finance & Building Committee shall make a recommendation, subject to approval by the Board of Directors, to (1) propose an operating budget for the following year with a projected a net income (excluding depreciation) to eliminate the shortage, or (2) adopt other budgetary proposals for the following year by an amount necessary to eliminate the shortage or (3) decrease reserve levels by an amount necessary to eliminate the shortage.

Note: The year-end reviewed financial statement for the previous calendar year is made available after the subsequent year has begun, and the operating budget for the calendar year is approved by the Board of Directors at the October board of directors meeting during the previous year. Any expenditures of overage from a prior year shall be deducted from the sub total of excess reserves. Any recovery of shortage from a prior year shall be added to the sub total of excess reserves.

SAFE DEPOSIT BOX

The Cherokee Association does not currently utilize a safe deposit box.

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ACCOUNTING METHOD

The Association and its affiliated corporations and financial entities shall use the accrual basis of accounting.

AUDITS

There are three types of services CPA firms offer not-for-profit organizations - audits, reviews and compilations. The purpose of an audit is for the CPA firm to express an opinion on the organization's financial statements and to assure the reader of the financial statements that the statements have been audited, that they conform to Generally Accepted Accounting Principles (GAAP), and that the audit is done according to Generally Accepted Auditing Standards (GAAS). Once the audit field work has been completed, the CPA firm issues one of four types of opinion on the financial statements: unqualified opinion, qualified opinion, adverse opinion, or disclaimer of opinion.

The Association and its affiliated corporations and financial entities shall be reviewed annually by an independent CPA firm, as is appropriate for each entity. This is the method required by the National Association of REALTORS® to remain compliant with the current NAR Core Standards.

In the event of notification of an audit by either the Internal Revenue Service or the Georgia Department of Revenue of the Association or its affiliated corporations and financial entities, the Accounting Department shall notify the AE, the Board of Directors and the CPA firm for the Association. The CPA firm for the Association shall be authorized to represent the Association or its affiliated corporations and financial entities at all meetings and hearings related to such audit(s).

CAPITAL EXPENDITURES

For depreciation purposes, any expenditure for furniture, computer hardware, computer software and office equipment in excess of One Thousand and 00/100 Dollars and a useful life in excess of one year that does not meet the requirements of an operating expense shall be considered a capital expenditure.

Repairs and improvements may be expensed or considered capital expenditures depending on the nature of the repair or improvement and the financial threshold. The decision to expense or capitalize repairs and improvements and the depreciation period shall be made by mutual agreement among the Finance & Building Committee, the certified public accountant and the AE.

All capital expenditures are subject to approval by the Finance & Building Committee and Board of Directors through the budget approval process.

CHART OF ACCOUNTS

The Association has adopted and shall maintain a chart of accounts for utilization by the Association and its affiliated corporations and financial entities.

The Accounting Department shall have the authority to update the chart of accounts on an “as needed” basis.

All employees involved with accounting or budgetary responsibilities shall be provided with a copy of the chart of accounts.

CLEARING ACCOUNTS

The Association nor its affiliated corporations or financial entities currently utilize clearing accounts.

DEPRECIATION

The Association and its affiliated corporations or financial entities shall use the straight line method of depreciation in accordance with the following schedule:

Fixed assets (other than real property and computer equipment) - Five (5) year period

Real property - Thirty (30) year period

Computer equipment - Three (3) year period

Computer software - Three (3) year period

Capitalized repairs and improvements - Established on an individual basis by mutual agreement among the Board of Directors, the certified public accountant and the AE.

Changes to the depreciation schedule may be made by mutual agreement among Board of Directors, the certified public accountant and the AE.

Fully depreciated fixed assets will remain on the statement of financial position until they are disposed of or otherwise deemed worthless.

FISCAL YEAR

The fiscal year for the Association and its affiliated corporations and financial entities shall be January 1 through December 31.

INTERNAL FINANCIAL STATEMENTS

The internal financial statements are: (1) Statement of Revenue and Expenses (also known as Income Statement and Profit and Loss Statement), and (2) Statement of Financial Position (also known as Balance Sheet), (3) Statement of Cash Flows and (4) Reconciliation Reports.

The internal financial statements will be provided on a monthly basis to the Finance & Building Committee for review. The internal financial statements should be distinguished from the year-end audited financial statements which shall be prepared by the certified public accountant.

Copies of the most recent audited financial statements for the Association and its affiliated corporations or financial entities shall be provided to the members of the Board of Directors no later than at the time of check-in for regularly scheduled or special called meetings.

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ACCESS TO RECORDS BY MEMBERS

The officers of the Association shall have access to all financial records of the Association and its affiliated corporations and financial entities

All other members of the Association may inspect the following financial records:

Internal Revenue Service Form 990 (Annual Information Return for Tax Exempt Corporations) including all schedules for the three (3) preceding years

Original applications to the Internal Revenue Service for tax-exempt status and all correspondence regarding the application

Reviewed financial statements and accompanying CPA management letter

Minutes of the meetings of the Board of Directors

Any such inspection shall be made at the Cherokee Association headquarters building during normal business hours. No advance notification shall be required.

An Association employee or Board of Director member shall remain in the presence of the individual(s) requesting access to this information in person. The Association shall allow the individual freedom to take notes during the inspection. Individuals will be allowed a reasonable amount of time to review the document(s).

No original or permanent records may be removed from the headquarters building.

ACCESS TO RECORDS BY THE PUBLIC

The public may inspect the following financial records:

Internal Revenue Service tax exemption determination letter

Internal Revenue Service Form 990 (Annual Information Return for Tax Exempt Corporations) for the three (3) preceding years

Any such inspection shall be made at the Association headquarters building during normal business hours. No advance notification shall be required.

An Association employee or Board of Director member shall remain in the presence of the individual(s) requesting access to this information. The Cherokee Association shall allow the individual freedom to take notes during the inspection. Individuals will be allowed a reasonable amount of time to review the document(s). No records may be removed from the headquarters building.

GOVERNING DOCUMENTS

The governing documents for the Association and its affiliated corporations and financial entities may include but are not limited to the following:

- Articles of Incorporation
- Constitution and Bylaws
- Corporate Charters
- Internal Revenue Service Determination Letters
- Minutes of the Board of Directors Meetings
- Trade Name and Trademark Registrations
- Trust Agreements

The governing documents shall be stored in a suitable location at the headquarters building of the Association.

INDEPENDENT CONTRACTORS/VENDORS

Prior to payment, each independent contractor or vendor who performs a service for the Association and its affiliated corporations or financial entities shall be required to provide the Association with a properly completed IRS Form W-9 (Request for Taxpayer Identification Number and Certification).

An IRS Form 1099 will be issued to each independent contractor or vendor who meets the requirements according to the Internal Revenue Service Guidelines.

RECORD RETENTION

The Association and its affiliated corporations or financial entities shall retain records in accordance with the most recent version of the IRS Guidelines on Record Retention.

TAX FILING

The AE shall ensure that all required county, state and federal reports are filed, transmitted or furnished in a timely manner. The Accounting Department shall ensure that all required county, state and federal tax deposits, payments and/or transfers are made in a timely manner.

TAXPAYER IDENTIFICATION NUMBER (TIN)

The Association and its affiliated corporations and financial entities shall provide the appropriate Taxpayer Identification Number when required.

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ADMINISTRATIVE SERVICES

The Association may provide administrative services to approved Cherokee chapters of Institutes, Societies and Councils of the National Association of REALTORS®

The AE with approval of the Board of Directors shall have the authority to negotiate individual administrative service packages including services offered, fee structure, and length of commitment. Agreements for administrative services shall be documented and signed by both parties.

BANKING SERVICES

The Association and its affiliated corporations and financial entities have Truist Bank as its primary bank of record. Additional bank(s) include Ameris Bank. Any change to the banking relationship shall be approved by the Finance & Building Committee and the Board of Directors.

CARDS, FLOWERS AND GIFTS

The AE with approval from the President shall each have the authority, within budgetary limits, to purchase flowers, gifts and cards as deemed appropriate and in the best interest of good public relations.

CORPORATIONS AND FINANCIAL ENTITIES

The following corporations are affiliated with the Association:

- 1) **Cherokee Association of REALTORS®, Inc.**
Type: A 501(c)(6) Corporation
Taxpayer Identification Number: 58-1446278

The AE shall ensure that all necessary corporate documents, tax filings, reports, fees, etc. are filed with the appropriate authority in a timely manner. The Treasurer shall be informed that the Association and its affiliated corporations and financial entities are in compliance.

DISCOUNTS

Except as noted below, the Association and its affiliated corporations or financial entities shall not offer discounts on the sale of products and services.

Subject to approval by the appropriate committee(s), discounts for early payment of registration fees, tuition payments, bulk purchases, etc. may be offered.

DUES AND ASSESSMENTS

The annual dues of each Member Board shall be established annually by the Board of Directors.

See Appendix A - Cherokee Association of REALTORS®, Inc. Bylaws.

LOBBYING EXPENDITURES

As of date, CAOR does not utilize a lobbyist therefore 100% of Cherokee Association dues are a deductible expense.

NON-DUES REVENUE

The Finance & Building Committee of the Association shall evaluate and make appropriate recommendations for endorsement or sponsorship of programs, products and services that generate non-dues revenue, and that do not compete with nor dilute programs, products or services currently endorsed or sponsored by Member Boards or brokerage firms. Such evaluation shall include economic feasibility, liability and potential financial obligations on the Association.

REFUNDS

The Association has established policies regarding refund of tuition payments for education courses offered by CAOR.

All refunds will be issued in the form of a check. If payment is received through PayPal, Stripe, Square or EventBrite, refunds may be made through those systems.

The Association shall not refund dues once the fiscal year begins.

The AE shall have the authority to evaluate any other request for a refund for purchase of products and/or services and to approve refunds on an individual basis where warranted.

Monies collected for special events is non-refundable.

RETURNED CHECKS

In the event a check made payable to the Association or its affiliated corporations or financial entities for products and/or services is returned unpaid for any reason, the Accounting Department is directed to notify the maker of the check that the maker has ten (10) days to replace the check with cash, cashier's check or money order for the amount of the check plus a \$20.00 handling charge. In the event the check is not replaced in a timely manner, the Accounting Department shall redeposit the check provided sufficient funds are available and the check is eligible for redeposit, and send the maker of the check a statement for the \$20.00 handling charge. In the event that funds are not available for redeposit of the check, the AE shall determine the economic feasibility of forwarding the check to legal counsel for initiation of legal action or initiating write-off procedures.

For accounting purposes, returned checks shall be considered accounts receivable until replaced or re-deposited.

A record of returned checks will be maintained at the discretion of the AE and checks from the maker of the check may no longer be accepted as payment for products or services.

SALE OF MEMBERSHIP LISTS

The Cherokee Association of REALTORS® does not offer for sale a list of members and contact information. Only Affiliate Partners with a Gold membership or higher are issued a current copy of the membership list.

SHIPPING AND HANDLING CHARGES

The AE shall have the authority to establish reasonable and appropriate shipping and handling charges for forms, manuals and products.

SOFTWARE

The Association and its affiliated corporations and financial entities utilize both proprietary and licensed software in day-to-day operations.

The AE shall have the authority, within budgetary limits, to negotiate the terms and conditions of the annual maintenance agreements and upgrades with proprietary software vendors. Any changes in proprietary software vendors shall be reviewed by the Finance & Building Committees and approved by the Board of Directors.

The AE shall have the authority, within budgetary limits, to purchase new licensed software in order to adequately meet the needs of the Association and its affiliated corporations and financial entities.

TEMPORARY EMPLOYMENT

The AE with approval of the President shall have the authority, within budgetary limits, to approve utilization of the services of temporary employment to supplement the work force during times of need.

SECTION SIX: APPENDICES

- A. CHEROKEE ASSOCIATION OF REALTORS®, INC. BYLAWS
- B. CHEROKEE ASSOCIATION OF REALTORS®, INC. POLICY & PROCEDURES MANUAL
- C. EXPENSE REIMBURSEMENT REQUEST FORM