

EL 6 Asset Protection

Adopted: 9/21/06 (unofficially)

Revised: 04/16/08

Monitored: October

The GM shall not allow the assets to be unprotected, inadequately maintained, or unnecessarily risked.

The GM shall not:

- EL 6.1 Fail to insure against theft and casualty losses to at least 80 percent of replacement value and against liability losses to board members, staff, and the organization itself in an amount greater than the average for comparable organizations.
- EL 6.2 Allow unauthorized personnel access to material amounts of funds.
- EL 6.3 Subject plant and equipment to improper wear and tear or insufficient maintenance.
- EL 6.4 Unnecessarily expose the organization, its board, or its staff to claims of liability.
- EL 6.5 Make any purchase (1) wherein normally prudent protection has not been given against conflict or interest; (2) of over \$1500 without having obtained comparative prices and quality; (3) of over \$1500 without a stringent method of assuring the balance of long-term quality and cost.
- EL 6.6 Fail to protect intellectual property, information, and files from loss or significant damage.
- EL 6.7 Receive, process, or disburse funds under controls that are insufficient to meet the board-appointed auditor's standards.
 - EL 6.7.1 Sufficient controls must include a printed report showing the connection between invoices and checks will be submitted to the auditor with other requested materials.
- EL 6.8 Invest or hold operating capital in insecure instruments, including uninsured checking accounts and bonds of less than AA rating, or in non-interest bearing accounts except when necessary to facilitate ease in operational transactions.
- EL 6.9 Change the organization's name or substantially alter the organization's identity without board approval.
 - EL 6.9.1 For the purpose of this policy the organization's identity is defined as: How the business is perceived by its customers and

the rest of the community according to the products, services, environments, and means of internal and external communication that the organization supports. This includes all design elements that reflect the organization's character and image.

EL 6.9.2 The board must approve the process for making the change, not the outcome of the process.