

## *Approved by the Board of Directors - March 2022*

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# CSF Policies

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## Introduction

This document contains the Couillard Solar Foundation’s relevant policies concerning our organization, fundraising and internal systems.

## Manual Protocol

1. Couillard Solar Foundation (CSF) management will review the manual annually and present any recommended revisions to the Board of Directors.
2. The Board of Directors will review and, if necessary, recommend changes. If changes are recommended by either management or the board, the board will review and approve all final changes.

## Accounting Guidelines and Internal Controls

To ensure that record keeping follows Generally Accepted Accounting Principles and appropriate internal controls are maintained, the following procedures need to be followed:

1. Standard accounting procedures, in accordance with GAAP, will be used for all financial functions.
2. Accounting will be done on a cash basis.
3. The Chart of Accounts will be used, reviewed annually and updated as required.
4. Periodic, unannounced, internal audits will be performed by the Executive Director or the Board Treasurer to ensure that the stated operating guidelines are being followed.
5. To ensure optimal internal controls, CSF will separate functional responsibilities as recommended by GAAP, to the extent possible based on staffing resources.
6. CSF will maintain financial records in accordance with the record retention policy or as determined by federal, state or local law.
7. All Accounts Payable records will be stored by fiscal year.
8. All Accounts Receivable and Payroll records will be stored by fiscal year.

## Annual Audit

The Executive Director and CSF accountant will create and present an annual financial report to the Board of Directors at the Annual Meeting.

1. The CSF accountant will prepare a financial report and submit it to the Executive Director and Treasurer for review.
2. The Executive Director will present the financial report to the Board of Directors for review.
3. The Executive Director will retain the records regarding the results of all financial reports and report any inconsistencies or problems to the Treasurer and Board of Directors as appropriate.

Because the foundation is a small organization, the CSF Board of Directors will determine at each Annual Review if the financial report as defined is sufficient, or if an independent audit is necessary.

The Board will direct the Executive Director to update this policy to include standard audit policy language. If the foundation has grown to the point where an annual audit is considered necessary, the Executive Director will select an independent accounting firm to conduct such an audit.

## Annual Budget

The annual budget will direct the most efficient and prudent use of the organization's financial and human resources. These guidelines establish a procedure for the development, monitoring and approval of CSF's budget.

1. The Executive Director, with the help of the CSF accountant, will prepare and present the annual budget to the Board of Directors for review one month before the end of the current fiscal year (November).
  - a. The Board will review the budget and offer any changes or corrections to be made before Dec 15.
  - b. At this time the contracts for the Solar for Good and Solar on Schools administration fees will also be reviewed and updated.
2. A revised budget will be reviewed during the December Board meeting and approved.
  - a. Revisions to the contracts for CSF programs (if any) will also be reviewed and approved.
3. Financial statements must be reviewed by the board at the Annual Meeting in April.
4. The budget will be developed using historical data and projected costs for new or expanded programs.
5. If CSF plans to add or expand programs during the year, a budget amendment may be proposed to the Board for review and approval.

## Financial Statements

### Standard Financial Statements

Preparing financial statements and communicating key financial information is a necessary accounting function. Financial statements are management tools used to make decisions, monitor achievement of financial objectives and as a standard method for providing information about the financial health of the organization to external parties. Financial statements may reflect year-to-year historical comparisons or current year budget to actual comparisons.

The financial statements of the Couillard Solar Foundation will include:

1. **Statement of Financial Position (Balance Sheet)** - reflects assets, liabilities and net assets of the organization and classified assets and liabilities as current or non-current/ long-term.
2. **Statement of Activities (Income Statement)** - presents support, revenues, expenses, and other changes in net assets of the organizations, by category of net asset (unrestricted, temporarily restricted and permanently restricted.)
3. **Statement of Cash Flows (Development Sheet)** - reports the cash inflow and outflow in three categories:
  - a. Operating activities
  - b. Investing activities
  - c. Financing activities
4. **Statement of Functional Expenses (Summarized by Program Totals)** - presents the expenses of the organization by function (by the program or supporting service was served)

### Report Frequency

A standard set of financial statements will be prepared quarterly (January, April, July, October) by the CSF accountant with assistance from the Executive Director.

The Executive Director will submit the financial statements to the Board of Directors and retain a copy (digitally) in the CSF Board of Directors folder.

## Insurance Coverage

Insurance coverage will be reviewed annually to ensure that CSF maintains adequate property, liability and employee insurance.

1. The Executive Director and designated Board members will review the insurance policy limits on property and contents based on current value at policy renewal.
2. The Executive Director or designated Board member will report to the insurance broker any purchase of equipment or property that could surpass the limits of current insurance coverage.
3. The Executive Director and designated Board members will meet with the insurance broker to discuss Director and Officer insurance and general liability coverage a minimum of one time per year.
4. The Executive Director will prepare a status report on insurance coverage levels and premium expenses a minimum of one time per year. This information will be presented to the Board of Directors as part of the Annual Meeting report.
5. CSF does not currently offer health insurance to our employees or Board members.
6. The Executive Director will work with the insurance agent on Workmen's Comp claim rates and classification of employees.

## Security

### Offices and Accounting

- CSF's offices will be locked when no one is in the building. CSF team members have keys for the doors and the code to the rear garage door.
- The warehouse will be locked at all times, unless someone is working in the warehouse, receiving or preparing for a delivery.
- Blank checks will be locked in a fire-proof box, with keys in the possession of the Executive Director and a designated Board member.

### Access to Electronically Stored Accounting Data

It is CSF's policy to use passwords to restrict access to accounting software and data. CSF personnel with accounting responsibilities are expected to keep their passwords confidential.

Digital financial records are stored in the Shared Drive folder **Financial** which is accessible only to authorized CSF staff and Board members.

## Record Retention

CSF retains records as required by law and to destroy them when appropriate. The destruction of records must be approved by the Executive Director and logged into the CSF Destroyed Records Log located in Shared Drive **CSF Admin Docs/Misc Administrative Docs**.

The formal records retention policy of CSF is:

Accounts payable ledgers and schedules	7 years
Accounts receivable ledgers and schedules	7 years
Audit reports	Permanently
Bank reconciliations	2 years
Chart of Accounts (QuickBooks)	3 years
Canceled Checks	7 years
Contracts, mortgages, notes and leases (expired)	7 years
Correspondence: General (customers, vendors, etc.)	2 years
Correspondence: Legal and important matters	Permanently
Deeds, mortgages and Bills of sale	Permanently
Determination letter for income tax exemption	Permanently
Depreciation schedules	Permanently
Duplicate deposit slips	2 years
Employment applications	3 years
Expense analyses/expense distribution schedule	7 years
Financial statements: Year end	Permanently
General ledgers / year end trial balance	Permanently
Insurance policies (expired)	3 years
Insurance records (policies, claims, etc.)	Permanently
Internal audit reports	3 years



## CSF Policies

Internal Reports	3 years
Invoices (to customers, from vendors)	7 years
Minutes Board of Directors, bylaws and charters	Permanently
Notes receivable ledgers and schedules	7 years
Payroll records and summaries	7 years
Personnel records (terminated)	7 years
Property records (incl. Depreciations schedules)	Permanently
Purchase Orders (Foundation copy)	7 years
Tax returns and worksheets, examination reports and other documents relating to IRS determination	Permanently
Time sheets	7 years
Trademark registrations and copyrights	Permanently
Training manuals	Permanently
Withholding tax statements	7 years

## Conflict of Interest Policy

### Objective

Effective nonprofit governance depends on deliberate, thoughtful and fair decision making by Board members. As much as Board members want to be completely objective in their decisions, conflicts of interest, personal or professional, are always going to exist. The objective of this policy is to help CSF and Board members manage potential conflicts of interest when they inevitably occur.

### Definition

A conflict of interest happens when a person who has influence over a decision (through their vote or persuasion) is liable to gain:

- Some personal advantage from the outcome of the decision or an advantage for another organization with which they are directly involved.
- A conflict of interest may also happen when an individual Board member's outside duties, interests or obligations differ fundamentally from his obligations as a member of the Board.

### Assumptions

1. If a Board member has a position, or information that creates a conflict of interest between their interests and those of CSF, they must disclose that conflict to the Board.
2. When acting as a Board member, each person has a duty to put the interests of CSF first, as they fulfill their Board member role.
3. Board members are not eligible for employment or service contracts with CSF or its affiliates during their tenure. If a Board member wishes to apply for a permanent position at CSF they must immediately withdraw from active participation on the Board. If they are the successful candidate, they must resign from the Board upon accepting the position.
4. Any Board member who becomes aware of a potential conflict of interest with respect to any matter coming before the Board will make this potential conflict known immediately in any discussion relating to the matter.
5. Decisions made by the Board, regarding the management of a conflict of interest, must not only be fair, they must be seen to be fair.



## Procedure for Addressing a Conflict of Interest

When an actual, perceived, or potential conflict of interest is identified by any person, the following action must be taken:

1. The Board member identifies the actual, perceived or potential conflict;
2. Fully disclose the conflict to the Chairperson, and, where appropriate, the full Board.
3. The Chairperson shall develop an appropriate response, including where necessary, disqualification from voting and discussion and any necessary remedial action. For example, if a vote may have been affected by a previously undeclared conflict of interest, it may be necessary to hold that vote again.
4. When a potential conflict of interest is identified, the following options may be implemented:
  - a. The Board member with the conflict should not be involved in any aspect of the decision making process.
  - b. They may be present and/or participate in discussions but recuse themselves from voting.
  - c. They may participate in discussions but be asked to leave for further discussions before the vote is held.
  - d. They may be present for the vote but the vote is done by confidential ballot.
  - e. They may participate fully in the vote.
5. Any Board member may ask for a decision to be made by secret ballot when dealing with a matter where there is a conflict of interest.
6. The official minutes of the meeting must record the potential conflict of interest and how it was avoided or dealt with.
7. The Board must agree by a majority on the option or options used in any given situation.
8. When there is a failure to agree on whether a conflict of interest exists and/or how it is to be managed, the Chairperson (or if the potential conflict of interest involves them, the next senior Board member) may seek legal counsel.

## Common Sense Provision

Circumstances vary and it's expected that the Board will use common sense, sound judgment and remain flexible when determining the extent to which this policy is applied.

## Examples of Potential Conflicts of Interest

- When a Board member is in a position to influence the creation of an employment or service contract for which they may become a candidate.
- When a Board member influences the selection of a particular supplier or vendor and they have an ownership or financial interest in that supplier.
- When a Board member uses the Couillard Solar Foundation name and resources for personal benefit.
- When a Board member could influence the giving of a grant, funds or project approval which would benefit themselves or an organization they are associated with as staff or volunteers.

## Whistleblower Policy

Our Code of Ethics and Conduct requires directors, officers and employees to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. As employees and representatives of the Couillard Solar Foundation we must practice honesty and integrity in fulfilling our responsibilities and comply with all applicable laws and regulations.

### Reporting

It is the responsibility of all directors, officers and employees to comply with the Code and to report violations or suspected violations in accordance with this Whistleblower Policy.

### No Retaliation

No director, officer or employee who, in good faith, reports a violation of the Code shall suffer harassment, retaliation or adverse employment consequences. Any employee who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of employment. The Whistleblower Policy is intended to encourage and enable employees and others to raise serious concerns within the CSF organization before seeking resolution outside CSF.

### Reporting Violations

The Code addresses CSF's open door policy and suggests that employees share their questions, concerns, suggestions or complaints with someone who can address them properly. For CSF, the Executive Director is in the best position to address an area of concern.

However, if you are not comfortable speaking with the Executive Director, or you aren't satisfied with their response, you are encouraged to speak with a Board member that you are comfortable approaching. For suspected fraud, or when you are not satisfied or are uncomfortable with following CSF's open door policy, please contact Denny Baker of Baker Schultz Tax and Financial ([dbaker@woodburyfinancial.net](mailto:dbaker@woodburyfinancial.net)).

### Compliance Officer

The Executive Director currently serves as CSF's Compliance Officer and is responsible for investigating and resolving all reported complaints and allegations concerning violations of the Code and, at their discretion, will advise the Board.

They are also required to report on compliance activity annually.

### Accounting and Auditing Matters

The Board of Directors shall address all reported concerns or complaints regarding corporate accounting practices, internal controls or auditing. The Compliance Office will immediately notify the Board of any such complaint and work with the Board until the matter is resolved.

## **Acting in Good Faith**

Anyone filing a complaint concerning a violation or suspected violation of the Code must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation of the Code. Any allegations that prove to be unsubstantiated and which prove to be malicious or knowingly false will be viewed as a serious disciplinary offense.

## **Confidentiality**

Violations or suspected violations may be submitted on a confidential basis by the complainant or may be submitted anonymously. Reports of violations or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

## **Handling of Reported Violations**

The Compliance Office will notify the sender and acknowledge receipt of the reported violation or suspected violation within 5 business days. All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation.

## Code of Conduct

The Couillard Solar Foundation's Code of Conduct will be presented to all personnel and associated contractors and volunteers. CSF will perform periodic training to ensure continued awareness of the Code.

CSF is committed to the highest possible ethical standards and we encourage everyone associated with our organization to commit to acting in the best interest of CSF and its mission.

Our mission requires that we, Board members, staff and volunteers, as stewards of our mission, uphold the public trust and act in an ethical manner in all that we do in the name of the Couillard Solar Foundation. These values include integrity, openness, honesty, accountability, fairness, respect and responsibility. These values are the basis of our Code of Conduct and commitment to act in a manner befitting CSDF and our mission.

As a charity, we rely on the public for funding and support, which is critical to the success of our mission. The public trusts us to carry out our stated mission and to act in the best interests of CSF. If we abuse the public trust, our ability to fulfill our mission is severely weakened. Therefore it's critical that we operate in a way that is above reproach in all aspects, including governance, fundraising, mission operations, legal matters and human resources.

We are committed to:

- Acting responsibly and with integrity
- Following both the letter and the spirit of the law
- Promoting financial accountability, transparency and the best governance practices
- Respecting the wide variety of people who support our mission through donations of their time, talent and money
- Being responsible stewards of CSF, its mission, reputation and resources
- Being open and honest in all of our dealings with both internal and external audiences.

The Code of Conduct applies to all staff members, the Board of Directors, committee members and volunteers.

## Accountability and Responsibility

All staff, Board and committee members and volunteers will:

- Be open and honest with colleagues, stakeholders, volunteers, donors and all others involved in the organization
- Abide by the bylaws and policies of the organization
- Take responsibility for their actions and dealings as representatives of CSF
- Exercise best governance and accounting practices and procedures
- Use the resources of CSF wisely and responsibly
- Promote financial transparency while fulfilling our mission



## CSF Policies

All who serve in a position of authority over CSF will:

- Place CSF above other interests, financial or other
- Act in the best interests of the organization
- Disclose any actual or perceived conflict of interest

### **Professional Excellence**

All members of our staff, Board, committees and all volunteers will:

- Act in a responsible, ethical manner that promotes openness, fairness and integrity
- Treat people with dignity and respect
- Work together to achieve our mission to the best of our ability

The Couillard Solar Foundation is an equal opportunity employer and does not discriminate on the basis of race, color, religion, gender, or national origin. We value the diversity of all people.