PASS Reserves Policy

1. Overages or excess monies may be formally set aside to provide internal assurance for PASS, the process of setting aside these monies is declaring them as "reserves."

2. All monies considered as "reserves" will be held in a designated account or accounts in addition to designated investments accounts.

3. Monies designated as "reserves" will not be used for PASS operating needs.

4. Designating monies as "reserves" requires Board approval (formal motion with simple majority); it will usually occur annually after tax audit completion.

5. Moving monies out of "reserves" requires Board approval (formal motion with simple majority); usually for financial hardship or for strategic investment.

6. "Reserves" monies should be invested, usually in investment vehicles that present low risk and a degree of liquidity/accessibility.

7. Board members may request the status of our reserves; detailed information regarding "reserves" is confidential outside of the board. PASS HQ will provide this information within a reasonable, non-urgent timeframe.

As per PASS's reserves policy, the amount PASS invests annually is usually decided upon after the yearly audit is complete. For example - the FY ends June 30 but the audit may not be finalized until October. At that time the board decides what amount (if any) they would like invested to reserves based on the final financial position for the FY ended June 30. Reserves are not an expense to PASS, they are the transfer of assets from one account to another and therefore are not included in the FY budget.