

Oregon Dental Hygienists' Association

Policy: **02-03 Reserves**

Program: **Financial- 02**

Effective date: 7-21-2018

Last revised date: 7-21-2018

Purpose: The purpose of a reserve is to support the operations of the Oregon Dental Hygienists' Association when typical sources of revenue are insufficient to meet the expense needs of the association due to an unforeseen shortfall.

Policy:

- ODHA shall maintain a reserve account, separate from general operation funds.
- The ODHA Board of Directors shall annually review the financial status of the association with the intent to make a reasonable contribution to the reserve account.
- The board shall set a goal of building up reserves to a minimum of 25% of annual operating costs, with the ideal being 50% of annual operating costs.
- Reserve funds shall be utilized for general operations of the association.
- Reserve levels along with deposits to or withdrawals from the account will be reported to the board at each quarterly financial report.

Procedures:

- Upon identifying a need to utilize reserve funds, the Treasurer will consult with the Executive Team regarding the financial situation and make a request for withdrawal to the full board at the next board meeting.
- An emergency email vote may be initiated by the ODHA Treasurer if funds are needed urgently and waiting until the next board meeting is not practical.
- Withdrawals from the reserve fund should be made with prior board approval and include a plan for replenishment within 12 months.
- If replenishment is not likely within 12 months, a cost cutting measure should be proposed with the withdrawal request.
- Withdrawals shall be reported to members of the association in the next ODHA newsletter and at the Fall Conference.
- The operating reserve fund target minimum will be calculated each year after approval of the annual budget. This dollar amount will be reported to the Finance Committee and BOD.