



Movement for Community-led Development – US Financial Management Policy

Adopted by the board, July 29, 2023

Purpose of this policy

- To establish streamlined policies to ensure we manage our finances consistent with the highest standards of financial integrity
- This policy includes how MCLD will set salaries and fringe benefits.

Implementation Practices

- **Executive Director (ED).** The US Board bears fiduciary responsibility for MCLD-US. It will appoint a staff ED to whom it will depute the day-to-day operating responsibility of the organization, working closely with the Board. The ED shall have authority to make financial commitment and accept grants up to \$50,000. Commitments above this must be approved by the Board.
- **Treasurer:** The MCLD Board will elect a treasurer among its members who will provide oversight of MCLD financial management.
- **Standards:** MCLD will conduct its financial management in ways to ensure an unqualified audit with accounts that meet **GAAP standards**, which will provide the board with quarterly and annual financial reports, including our IRS 990 submission.
- **Accounts:** MCLD will employ an outsourced accounting firm with a good track record of non-profit financial management including experiencing complying with USAID regulations.
- **Our Fiscal year** will align with the calendar year, consistent with our bylaws.
- **Salaries:** The ED shall set staff salaries consistent with nonprofit standards for designated functions and home locations. The Board shall set the ED salary. Charities must publicly disclose its top five salaries on its 990 forms.
- **Employee Benefits:** MCLD will employ an outsource professional employment organization (PEO), preferably integrated with our accounting firm to provide staff with a high standard of medical, retirement and other benefits. As part of its annual budget, the Board will annually establish appropriate standard total benefit levels for both full and

part-time staff from which staff may select from a menu of benefits, currently \$18,000 for full time and \$12,000 for part-time staff.

- **External Auditor.** At the recommendation of the Treasurer, Accounting Firm and ED, the Board will appoint an external auditor with experience in auditing USAID grant recipients.
- **Registration.** MCLD employs Harbour Compliance to manage our charitable state registration in all states where we solicit funding and which require registration.