

A comprehensive review of the financial condition of Optimist International shall be presented by the Finance Committee chairman as part of the new Board indoctrination during the International Convention and a subsequent presentation by the International Immediate Past President shall be made at the first meeting of the Board of Directors in the new administrative year.

Priorities shall be set by the Board and adhered to with regard to approving the various expenditures being requested by International committees when new budget items are presented for approval at each Board of Directors' meeting, and new or additional expenses shall not be approved without at the same time providing for offsetting revenue or income, or concomitant reduction of expenses.

The budget for the current year shall be determined by the Board of Directors at its first regular meeting of the fiscal year based on membership assumptions as presented by the Audit & Finance Committee and approved by the International Board of Directors. As provided in the bylaws of Optimist International, an annual budget shall be presented to the Board of Directors at the Convention Board meeting for the Board's approval.

Monthly reports, by general budget category, will be provided to the Finance Committee and the Board of Directors by the Executive Director. At each meeting of the Board of Directors, the Executive Director will present a detailed accounting of all general budget categories with a comparison of actual to budget and an explanation of variances.

The Board of Directors must be advised in advance, with a rationale, of any expenditure which exceeds the budgeted amount by \$5,000 or 15% of any specific budgeted item. In addition, the Board of Directors must be advised in advance, with a rationale, of any non-budgeted expenditures in excess of \$5,000.

As the managing director of Optimist International, the Executive Director is authorized to expend amounts, within the total approved budget guidelines, which, in his judgment, are required to accomplish the objectives of the year as established by the Board of Directors.

The Audit and Finance Chair, at each of its meetings, shall review the expenses of the Optimist International President, President-Elect, President Designate, Executive Director, and Chief Financial Officer to assure compliance with the approved budget requirements. The Immediate Past President and Audit & Finance Chair shall receive expense statements and supporting documentation of the President, President-Elect, President Designate, Executive Director and the Chief Financial Officer. Either Immediate Past President or the Chair of the Audit & Finance Committee has the authority to approve these expenses within seven business days. Additionally, the Audit and Finance Committee Chair, in partnership with the most immediate past and available Audit & Finance Chair, will review these expenses yearly.

A condensed financial report shall be published in *the Optimist* magazine annually. A detailed financial report shall be published at the end of each month and distributed to all members of the Board of Directors and all members of the Finance Committee.

(Mar 1986; Dec 1988; Mar 1990; Dec 2005; Dec 2007; March 2008; Dec 2009; Mar 2012; Apr 2015; Dec 2015; Dec 2017; Nov 2018; Nov 2019; Dec 2020)