

Accounting and Fiscal Management Policy for Epic-Cure (“Epic-Cure” or “the Company”)

I. Authority:

The Board of Directors of Epic-Cure Inc. (“the Board”) is ultimately responsible for the financial management of all activities. The Treasurer is authorized to act on the Board’s behalf on financial matters when action is required in advance of a meeting of the Board of Directors.

The Executive Director and the Managing Director are responsible for the day to day financial management of the Company. The Board authorizes the Executive Director and the Managing Director (together, the “Financial Managers”) to hire and supervise staff, independent consultants, and Certified Public Accountants (“CPA”); pay bills, receive funds; and maintain bank accounts.

The Financial Managers are authorized to sign checks up to \$5,000. Checks for amounts greater than \$5,000 shall require the signature of the Treasurer or Board Chair. The Financial Managers are authorized to enter into contracts for activities that have been approved by the Board as a part of budgets or plans. Unless the payment is expressly tied to a specific grant for capital or operating funds, the Board of Directors must authorize any contracts outside of these parameters and all contracts with a financial value greater than \$15,000.

The Executive Director is authorized to manage expenses within the parameters of the overall approved budget, reporting to the Finance Committee on variances and the reason for these variances.

The Board must approve any use of the board designated cash reserve fund.

II. The Finance Committee

The Board shall appoint member of the Finance Committee which will include the Executive Director, the Treasurer, and any other members in any number that the Boards deems appropriate.

The initial constitution of the Finance Committee shall be as follows:

- Sunny Mulford, Member of the Board, Executive Director, President, and Treasurer of the Company.
- Ken Mulford, CFA, Member of the Board, Managing Director, Vice President, and Secretary of the Company.
- Greg Boester, Member of the Board.
- Jeremy Manning, Member of the Board.

The Finance Committee shall appoint the Financial Managers of the Company. The initial Financial Managers of the Company are as follows:

- Sunny Mulford, Member of the Board, Executive Director, President, and Treasurer of the Company.
- Ken Mulford, CFA, Member of the Board, Managing Director, Vice President, and Secretary of the Company.

III. Responsibilities

The Financial Managers shall:

- Account for donor restricted and Board designated funds separately from general operating funds, and clearly define the restrictions applicable to these funds.
- Report the financial results of operations according to the schedule established by the Finance Committee, but at least quarterly.
- Pay all obligations and file all required reports in a timely manner.
- Make no contractual commitment for bank loans, corporate credit cards, or for real estate leases or purchases without specific approval of the Board.
- Record fixed assets with purchase prices greater than \$500 as capital assets in accounting records.
- Ensure that depreciation of capital assets will not exceed Internal Revenue Service standards as promulgated in the tax code.
- Limit vendor credit accounts to prudent and necessary levels.
- Obtain competitive bids for items or services costing more than \$5,000 per unit. Selection will be based on cost, service, and other elements of the contract.
- The Financial Managers may award the bid to any provider and is not required to accept the lowest cost proposal.

The Board shall:

- Review financial reports at each board meeting.
- Provide adequate training to members to enable each member to fulfill his or her financial oversight role.

IV. Financial Transactions with Officers, Board Members, employees, or volunteers of the Company

No advances of funds to employees, volunteers, officers, or Directors are authorized. Direct and necessary expenses, including travel for meetings and other activities related to carrying out responsibilities, shall be reimbursed.

In no case shall the Company borrow funds from any employee, volunteer, officer, or director of the organization without specific authorization from the Board of Directors.

The Company maintains a separate and distinct policy for Conflicts of Interest.

V. Budget

To ensure that planned activities minimize the risk of financial jeopardy and are consistent with board-approved priorities, long-range organization goals objectives, the Financial Managers shall:

- Submit operating and capital budgets to the Finance Committee in time for reasonable approval by the Board prior to each fiscal year.
- Use responsible assumptions and projections with the general goal of an unrestricted surplus.

VI. Gift Acceptance

Gift of Stock: The Company will accept stock or other negotiable instruments as a vehicle for donors to transfer assets to the organization. Transfer and recording the value of the asset shall be done in a consistent manner and in compliance with accounting standards. The Financial Managers shall sell any stock given to the organization immediately upon receipt by the organization.

Other Gifts: The Company shall accept contributions of goods or services other than cash that are related to the programs and operations of the Company. Any other contributions of noncash items must be reviewed and approved by the Finance Committee before acceptance.

VII. Asset Protection

To ensure that the assets of the Company are adequately protected and maintained, the Financial Managers shall:

- Insure against theft and casualty losses to the organization and against liability losses to Board members, staff, or the organization itself to levels indicated in consultation with suitable professional resources.
- Plan and carry out suitable protection and maintenance of property, building, and equipment.
- Avoid actions that would expose the organization, its board, or its staff to claims of liability.
- Protect intellectual property, information, and files from unauthorized access, tampering, loss, or significant damage.

- Receive, process, and disburse funds under controls that are sufficient to maintain basic segregation of duties to protect bank accounts, income receipts, and payments.

VIII. Financial Reporting

For distribution to the Board and the public, the Financial Managers shall create monthly and quarterly operating statements of income and expenses.

The Financial Managers shall ensure that an independent CPA provides annual financial statements for the Company, fully audited in compliance with generally accepted accounting principles for nonprofits.

The Financial Managers shall ensure that the same CPA provides the Company's IRS Form 990 Return of Organization Exempt from Income.