



CONSORTIUM FOR CITIZENS
WITH DISABILITIES

CCD Reserves Policy

The purpose of CCD's Reserves Policy is to ensure the long-term stability of the CCD's finances and operations; to provide a source of internal funds for organizational priorities and the ability to continuously carry out CCD's mission; and to respond to varying economic conditions and changes.

Operating Reserve: The Operating Reserve is intended to provide an internal source of funds for situations such as:

- Unanticipated increase in expenses, cash flow shortages, loss in funding, or uninsured losses. These may be due to delayed payments, unexpected but necessary projects or economic conditions;
- Opportunities or needs that further and build long-term capacity to achieve CCD's mission. These must be one-time and/or time-limited expenses that would not cause CCD to fall below its minimum Operating Reserve target; or
- One-time unbudgeted or under-budgeted expenses. These, too, must not cause CCD to fall below its minimum Operative Reserve target.

Operating reserves are not intended to replace a permanent loss of funds or eliminate an ongoing budget gap. The target minimum Operating Reserve fund is at least three (3) but no more than six (6) months of average operating expenses and need not ever be more than two (2) years or Operating Expenses. The calculation of average monthly operating costs includes all recurring, predictable expenses such as salaries and benefits, professional services, CCD meeting costs, and accommodation fees. The organization's goal is to replenish the funds used within twelve (12) months to restore the Operating Reserve fund to the target minimum amount, if needed. Any decrease in the Operating Reserve should amount to no more than 20% of the Operating Reserve at the beginning of the fiscal year.

The Operating Reserve will be funded with surplus unrestricted operating funds. The Board of Directors may from time to time direct that a specific source of revenue be set aside for operating reserves. Set out below is the process for requesting use of reserve funds:

1. The CCD Board, a Board Committee, a CCD officer, or a CCD Task Force identifies the need to access the Operating Reserve and submits a written recommendation that includes an analysis and determination of the use of the fund to the Board of Directors. Alternatively, the CCD Board or one of its Committees may propose to use a portion of the reserves as part of the development of the annual budget process if the minimum threshold is maintained.
2. The Board will approve, deny, or modify the request and authorize use of the fund in writing. Requests must receive 67 percent of the full board to be approved.

3. Upon approval, the CCD Chair will designate an officer, Committee chair or co-chair, or Task Force co-chair responsible for maintaining and submitting records of the use of the funds.
4. If applicable, the Board will identify plans for replenishment to restore the Reserve Fund to the target minimum amount within twelve (12) months.

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