



# MANUAL OF POLICIES AND PROCEDURES

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# NWACC Manual of Policies and Procedures

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## 1. Purpose of the Manual

This manual is intended to define the fiscal policies and operational procedures of the NorthWest Academic Computing Consortium (NWACC) and to serve as a guide for the bookkeeping, treasury, and other functions of the Corporation.

## 2. Organization/Fiscal Managers/Governing Instruments

### Mission statement

The NorthWest Academic Computing Consortium is made up of colleges, universities, and other not-for-profit organizations in the Pacific Northwest and neighboring areas. Founded in 1987, NWACC's mission is to foster communication and collaboration among its member institutions with respect to the development and use of advanced technology for instruction, research, and institutional administration.

**Tax Status:** NWACC is a tax exempt, not-for-profit, §501(c)(3) corporation. It is further defined (2001) as an IRS Type I §509(a)(3) *Supporting Organization*.

### Fiscal manager descriptions

**President** - The President is the Chief Executive Officer of the Corporation and has responsibility to:

- facilitate communication and cooperation among the members of the board on matters of the Corporation;
- coordinate the Corporation's financial activities with the treasurer and members of the Executive/Finance committee;
- maintain accounts, meeting minutes, audits, financial reviews, tax returns, and other written and electronic records of the Corporation;
- contract with and monitor the performance of accountants, bankers, financial advisors, clerical assistants, and others who provide professional services to the Corporation;
- plan and coordinate business meetings, retreats, and other board events;
- speak on behalf of the Corporation and represent the Corporation's interests to external entities.

**Treasurer** - The Treasurer is the Chief Financial Officer of the Corporation and is responsible for overseeing financial activities that require him/her to:

- monitor the status of NWACC's portfolio and operating accounts;
- establish and maintain policies to guide NWACC investment activities and insure that these policies are followed;
- coordinate a semi-annual review of the asset allocation for NWACC's investment portfolio;
- identify new instruments for NWACC's portfolio;

- monitor NWACC's annual operating budget;
- collaborate with the President and Administrative Assistant on the creation and termination of investment and operating accounts;
- if the President is unavailable, assume responsibility for transaction authorization in consultation with the Chair and Vice Chair of the Board;
- maintain records of NWACC's financial positions;
- maintain records of NWACC's annual external audits and reviews;
- maintain minutes of NWACC board and finance committee meetings;
- chair the NWACC Finance Committee;
- perform other fiscal tasks as required.

**Administrative Assistant** - The Administrative Assistant works closely with the CEO, CFO, and others in the Corporation to:

- perform bookkeeping duties, including account reconciliation, tax form preparation, payables and receivables tracking, etc.;
- maintain various databases (contacts, workshop and conference registration, grant information, etc.).
- maintain NWACC paper and electronic files;
- maintain correspondence via mail, email, phone, and fax;
- support and keep records of NWACC workshops, conferences, and other meetings;
- support and keep archival minutes of NWACC board meetings;
- process travel reimbursements for qualified NWACC event speakers, board members, and other attendees;
- perform other tasks as required.

### **Governing Instruments**

The Corporation's composition and governance structure are described fully in the amended NWACC Articles of Incorporation and Bylaws.

## **3. Fiscal Management Standards and Definitions**

NWACC abides by generally accepted accounting principles. NWACC employs the accrual-basis method of accounting.

**Cash equivalents** are defined as instruments with full liquidity or maturity of less than three months, such as money market funds, T-bills, etc.

**Short-term investments** are defined as instruments with maturity between one and two years such as T-notes, certificates of deposit, etc.

**Long-term investments** are defined as equities, bonds or instruments with maturity in excess of two years.

**Inventories, fixed assets, and depreciation:** NWACC does not normally maintain inventory or hold capital assets.

**The *operating fund*** is defined as the budgeted amount approved by the Executive/Finance Committee and Board to underwrite NWACC operations for the subsequent fiscal year, which runs from January 1 through December 31. The operating fund is held in cash equivalents.

**The *cash reserve*** is defined as an amount at least equal to the amount of the current year operating fund but not greater than twice the current year operating fund. The cash reserve is held in cash equivalents or short-term investments. The purpose of the cash reserve is to provide flexibility in the timing of mutual fund share liquidation as required for operating fund replenishment.

**The *portfolio*** comprises short-term and long-term investments, allocated as described in the statement of NWACC Principles for Investment (see Appendix A). The portfolio provides the income basis for preserving NWACC programmatic activities in perpetuity. In FY2001 Board designated \$8,000,000 as *restricted funds* needed to sustain programmatic activities and mandated that this amount be increased by 3% each year, unless otherwise specified by the Executive/Finance Committee. Restricted funds may not be withdrawn from the portfolio except that they:

- may be withdrawn from the portfolio in order to replenish the NWACC operating budget or cash reserve;
- may be borrowed to underwrite special projects at an interest rate and term to be specified by the Executive/Finance Committee, provided that approval is given by a two-thirds vote of eligible Board members.

Portfolio funds in excess of the prescribed annual minimum are designated *unrestricted funds* and may be withdrawn from the portfolio and applied as the Board sees fit, by a two-thirds vote of eligible members of the Board.

Restricted funds: 2001 - 2008							
\$8,000,000	FY01	\$8,240,000	FY02	\$8,487,200	FY03	\$8,741,816	FY04
\$9,004,070	FY05	\$9,274,193	FY06	\$9,552,418	FY07	\$9,838,991	FY08

#### **4. General Ledger and Related Practices**

All financial transactions are posted to the General Ledger by the Administrative Assistant.

#### **5. Annual Budget and Periodic Budget Projections**

The annual budget is prepared by the President in consultation with the Finance Committee. The Board of Directors reviews the prospective operating budget for approval at its Fall Meeting. The Board reviews the current-year budget including year-to-date expenditures and projections at its Spring Board Meeting.

## 6. Financial Statements

**External** – The organization’s financial statements are prepared on the accrual basis of accounting in accordance with generally accepted accounting principles and the principles of fund accounting. The organization has adopted the provisions of Statement of Financial Accounting Standards (SFAS) No. 116, *Accounting for Contributions Received and Contributions Made*, and SFAS No. 117, *Financial Statements of Not-for-Profit Organizations*. Under these provisions, net assets and all balances and transactions are presented based on the existence or absence of donor-imposed restrictions.

**Internal** – On a quarterly basis the Finance Committee reviews portfolio statements from NWACC's investment agent. The Board of Directors reviews profit/loss statements and budget statements twice annually, at the Spring and Fall Board Meetings.

## 7. Annual Audit

By resolution of the Board, NWACC retains an independent auditor to conduct a full audit every five (5) years unless otherwise directed by the Executive/Finance Committee. During intervening years, a less extensive fiscal review is done by an independent auditor. An audit sub-committee of the Executive/Finance Committee, chaired by the NWACC Board Chair, communicates directly with the auditor. If no irregularities are identified, the audit sub-committee recommends to the Board that the audit findings be accepted. If an accounting or other irregularity is identified, the chair of the audit sub-committee contacts the president, treasurer, and administrative assistant in writing to request written feedback on the irregularity. The written feedback is reviewed by the audit sub-committee which may consult with the auditor as necessary. The audit sub-committee may then deem the matter resolved, may require further investigation, or may recommend to the Board that corrective action be taken.

## 8. Banking Policies and Procedures

**Interest bearing accounts** - The Corporation may hold interest bearing accounts with banks, brokerages, and other federally regulated financial institutions in the name of the Corporation. Accrued interest must be deposited to the credit of the Corporation.

**Routine transaction authorization** - NWACC banking and investment operations (including money market, checking, debit card, cash equivalents, short term and long term investments) are handled by the Portland office of Smith Barney. The president and treasurer of the Corporation are individually entitled to authorize transactions. If neither the president nor the treasurer is available to authorize a transaction, the chair and vice-chair of the board are individually authorized to do so.

**Large Transaction authorization** - Transactions in excess of \$50,000 require co-authorization by the president and the treasurer. If either the president or treasurer is unavailable, co-authorization may be provided by either the chair or vice-chair of the board. If neither the

president nor treasurer is available, co-authorization may be provided by the chair and vice-chair of the board.

**Opening and Closing Accounts** - In order to open or close an investment account (including funds held independently or in custodianship) authorization must be given by both officers of the Corporation and at least one officer of the board.

**Change of officers** - Smith Barney (or its successors) shall be notified as soon as possible in the event that there is a change of officers of the Corporation or Board or any other change in persons entitled to authorize transactions or to open or close accounts.

**Interfund borrowings and transfers** - Funds may be transferred within the operating fund and between the operating and cash reserve funds individually by the president and treasurer, with notification to the Executive/Finance Committee. Funds may transferred from the portfolio to the operating fund or cash reserve funds to subsidize annual operations at or below the take-out rate (currently 4.5%) mandated by the Board, based on a 13 quarter moving average. Funds may not otherwise be transferred from the portfolio except that they may be borrowed to subsidize special projects with approval of two-thirds of the voting members of the Board and at rates and terms prescribed by the Executive/Finance Committee.

**Investment policies** - The strategic investment goals and policies of the corporation are fully described in the NWACC Principles for Investment (see Appendix A). The Principles of Investment are reviewed annually by the investment sub-committee of the Executive/Finance Committee.

**Gift acceptance policy** – NWACC officers and members of the Board may not, in their capacity as NWACC Officers and Board members, accept gifts whose value exceeds \$50. Officers and members of the Board who are offered gifts whose value exceeds \$50 are required to decline and report such offers to the NWACC president and treasurer.

## 9. Purchase and Disbursement Procedures

**Purchases** – Expenses are posted to the General Ledger when they are incurred and categorized as Accounts Payable.

**Processing invoices** – Invoices received are immediately posted to the General Ledger and are marked “Paid” when paid. Copies of invoices and copies of checks issued as payment are kept in the financial files of the NWACC office.

**Check preparation** – The administrative assistant prepares checks for the president’s signature. If more than one check is presented to the president for signature, the administrative assistant encloses a disbursement list for the president’s review and signature.

**Check safekeeping** – Checks are kept by the president in a secure location.

**Check signatures** – The president is the primary signer of checks. The treasurer is authorized to sign checks in the president’s absence.

**Preparation of bank reconciliations** – The president receives and opens bank statements, reviews them, and distributes them to the administrative assistant to prepare reconciliations. The administrative assistant reconciles statements, prints reconciliation reports, and provides both sets of documents to the president for review and signature.

**Distribution of checks** – When checks are issued by NWACC, that administrative assistant prepares the checks and gives them to the president to be signed. The check is then hand-delivered or mailed to the recipient. If the check can not be distributed immediately, it is kept in a secure (locked) location until it is distributed.

**Filing paid invoices** – Paid invoices are filed by the administrative assistant in the financial files of the NWACC office.

**Petty cash** – NWACC does not keep petty cash. Reimbursements are made by check after receipt of a suitable reimbursement request form and supporting documentation.

## **10. Procedures for the receipt and deposit of cash, currency and checks**

**Funds received at the office** – Cash, currency, and checks received at the office are recorded in the General Ledger (in QuickBooks) and on the Receipts and Disbursements spreadsheet. Checks are immediately endorsed “For Deposit Only” upon receipt.

**Funds received outside the office** – All cash, currency, and checks are received at the NWACC office.

**Bank deposits** – After receipts are recorded in the General Ledger and in the Receipts and Disbursements spreadsheet, the administrative assistant completes a deposit slip and mails the deposit and deposit slip to the bank.

## **11. Billings and Fiscal Reports to Grantors and Contractors**

### **Contractual agreements and related policies**

Upon approval of a grant, NWACC will provide financial reports to the grantor in compliance with the terms of the grant.

## **12. Grants and Awards**

### **Proof of Concept Grant Program**

#### **Eligibility**

Grant proposals may be submitted only by faculty, librarians, or professional staff members employed on a continuing, full-time basis at NWACC member institutions. Individuals may apply for only one NWACC grant per year. Members of the Board, officers of the Corporation, and staff or paid consultants of the Corporation are ineligible to submit grant proposals or to receive grant payments.

### **Proposal Submission**

Proposal submission must be done via NWACC's web application form. In order to complete the web application, an applicant must obtain an Eligibility Code from their NWACC representative. Proposals that do not have valid codes will not be processed.

### **Project Deliverables**

1. In mid-August of the grant year, a web site about the project must be established that includes the title of the project, identities and contact information for the principal investigators, and the text of the project proposal. The site must prominently acknowledge NWACC's contribution to the project and provide a link to the NWACC Web site.
2. In mid-September, the principal investigator or delegate must e-mail to [nwacc@reed.edu](mailto:nwacc@reed.edu) a brief initial progress report demonstrating satisfactory progress toward completion of project goals. This evidence should include such items as general descriptions of expenditures, positions filled, work accomplished, and a timeline for the completion of grant-funded activities.
3. By mid-April of the year following the grant award, the principal investigator or delegate must e-mail to [nwacc@reed.edu](mailto:nwacc@reed.edu) a final progress report describing the completion of project goals, and relating those accomplishments to the Selection Criteria and Other Criteria listed below. The report must also include a closing financial statement.

### **Grant Payments**

Grants awards are made in two payments: A payment of 80% is issued in mid-May. A second payment of 20% of the award amount is issued in mid-November, provided that: (a) the project web site has been established; and (b) the initial progress report indicates satisfactory evidence of progress towards completion of the project. Payment checks are sent to the appropriate financial officer of the NWACC member institution.

### **Allowable Budget Items**

Overhead and/or indirect costs will not be supported by NWACC grants. Examples of valid expenses include:

- Programming or technical support
- Faculty summer stipends\*
- Hardware and software purchase
- Use of special instruments or media conversion
- Materials and supplies
- Project-related travel
- Wages for student assistance\*\*
- Access to networked resources

\* Faculty stipends may not exceed \$3,000 per individual or, in total, consume more than 60% of the grant amount.

\*\* Tuition payments, scholarships, fellowships, and assistantships are not valid uses of NWACC grant funds.

## **NWACC Outstanding Grant Award**

All funded projects become eligible for NWACC's Outstanding Grant award. The project that is judged by the NWACC Grant Committee to represent the best use of NWACC funds receive an award of \$5,000. The award is based on the information made available through the project web site, initial progress report, and final project report. The award payment is made to the institution of the project leader and earmarked for use at the project leader's discretion as allowed by the policies of the institution. Winners are invited to make a presentation about the project and its impacts at the spring NWACC meeting. NWACC covers the cost of (one) presenter's reasonable travel and lodging expenses for that event.

## **13. Payroll Procedures**

NWACC does not employ staff and does not administer payroll. NWACC engages external contractors to perform administrative, clerical, financial, legal, and other tasks. These contractors are paid by check and payments are reported to the IRS via 1099-Misc forms.

## **14. Cash Management**

**Monitoring monthly cash balances** - The president receives monthly bank statements and reviews cash balances.

**Control systems to safeguard cash and cash-related property** – NWACC does not maintain a petty cash fund. Checks are stored by the president in a secure location.

## **15. Record Retention Standards**

Records fundamental to the Corporation (Articles of Incorporation, Bylaws, tax returns, year-end financial statements, IRS rulings, Board meeting minutes, Audit reports, insurance records, and property records) are kept indefinitely in the office of the President. Other company documents (worksheets, grant applications and documentation, bank statements and reconciliations, budgets, and invoices from vendors) are kept for seven years in the office of the president.

## **16. Annual Tax Returns**

NWACC engages an external accounting firm to prepare annual tax returns. The draft returns are reviewed by the Executive/Finance Committee of the Board of Directors prior to submission to the IRS. All Officers and Directors are required to submit their combined annual compensation from NWACC and their home institution including salary, bonuses, benefits, and expense accounts for reporting to the IRS on Form 990 for 509(a)(3) *Supporting Organizations*.

## **17. Leasing Standards and Procedures**

NWACC does not lease any property.

## **18. Insurance and Risk Management**

NWACC holds the following insurance policies:

Directors & Officers Liability: Aon Association Services, a Division of Affinity  
Insurance Services; \$1,000,000 aggregate each policy year

General Liability: Hartford Insurance Companies; Property, Stretch Property Coverage,  
General Liability (General Aggregate Limit \$2,000,000)

# Appendix A: NWACC Principles for Investment

## **Contents**

1. Investment Objective
2. Portfolio Goal
3. Portfolio Asset Allocation
4. Portfolio Composition
5. Risk Tolerance
6. Monitoring of Objectives and Results

Schedule I. Allocation of Assets

Schedule II. Guidelines for the Fixed Income Fund

Schedule III. Guidelines for the Equity Fund

### **1. NWACC INVESTMENT OBJECTIVE**

. The primary investment objective of the NWACC Portfolio is to provide sufficient operating funds to maintain the annual program of NWACC activities in perpetuity.

In order to support continued activities during market downturns and to permit flexibility in the liquidation of Portfolio shares to support operations, a cash reserve sufficient for 12 to 24 months of NWACC operations shall be maintained. These funds shall be held outside of the Portfolio and shall not be considered in the calculation of Portfolio return or Portfolio asset allocation.

### **2. NWACC PORTFOLIO GOAL**

The goal for the NWACC Investment Portfolio is to achieve a 4.5% annual return, net of inflation and investment management fees.

The annual Portfolio payout rate (used for the NWACC operating fund) will be a maximum of 4.5% of total assets per year based on a 13 quarter moving average beginning Q1 of 2002.

### **3. PORTFOLIO ASSET ALLOCATION**

- 35% fixed income target. Range 25% - 60%
- 65% total equity target. Range 40% - 75%
- 60% income oriented equities target
- 40% growth oriented equities target

*Further detail of the allocation of assets is described in Schedule I. Goals and investment criteria for fixed income and equity are detailed in Schedule II and III, respectively.*

### **4. PORTFOLIO COMPOSITION**

1. To achieve its investment objective, the Portfolio shall be divided into two parts, a *Fixed Income Fund* and an *Equity fund*, The overall asset allocation between those two asset classes remains under the regular scrutiny of the NWACC Executive/Finance Committee. Over the long run, the allocation between Equity and Fixed Income Funds will be the single most important determinant of the Portfolio's investment performance.

2. The purpose of the Fixed Income Fund (bonds and cash equivalents) is:

- To contribute to the overall return
- To reduce the overall volatility of the Portfolio's returns
- To provide a deflation hedge
- To provide cash flow to support NWACC's operations

The Fixed Income Fund should normally represent about 35% of total Portfolio assets at market value. Although the actual percentage will fluctuate with market conditions, the Fixed Income Fund will be modified as needed to ensure that the ratio does not fall below a 25% minimum and does not exceed 60%.

3. The purpose of the Equity Fund is to produce a proportionately greater contribution to total return than the Fixed Income Fund. It is recognized that the Equity Fund entails the assumption of greater market variability and risk.

The Equity Fund should normally represent approximately 65% of Portfolio assets at market value. Although the actual percentages of equities and equity reserves will vary with market conditions, direct equity exposure will be closely monitored and rebalancing will automatically be implemented if it exceeds 75% or if it falls below 40%.

4. New cash flow shall generally be allocated in such a way as to balance the allocation in the direction of the equity/fixed income ratio then approved by the Executive/Finance Committee within the above parameters.

5. The Executive/Finance Committee may change any of these ratios. It is anticipated that such changes will be infrequent. Changes in the maximum and minimum limits require approval of a majority of the Board of Directors.

6. The Portfolio will be diversified both by asset class (e.g., within equities, bonds, cash equivalents) and within asset classes (e.g., within equities by economic sector, industry, quality, and size). Diversification within asset classes may be achieved by investment in mutual funds. The purpose of diversification is to provide reasonable assurance that no single security or class of securities will have a disproportionate impact on the Portfolio.

#### **5. STATEMENT OF RISK TOLERANCE**

The NWACC Portfolio is the primary source of revenue for sustaining NWACC programs and administrative activities. As such, it must — in aggregate — be exposed to minimal risk. The use of derivatives in pursuit of strategies to achieve “above market” performance are considered speculative and are strictly forbidden. Under no circumstances should leverage be implemented in the purchase of securities.

#### **6. MONITORING OF OBJECTIVES AND RESULTS**

1. All objectives and policies are in effect until modified by the Executive/Finance Committee. They will be reviewed at least bi-annually for their continued appropriateness.

2. If at any time NWACC's Financial Adviser believes that any statement expressed herein inhibits its ability to provide suitable Portfolio guidance, it is the Financial Adviser's responsibility to clearly communicate this view to the NWACC president and treasurer who will make appropriate recommendations to the Executive/Finance Committee.

3. Both the Portfolio and the individually managed funds will be monitored on a continual basis for return relative to objectives, investment risk as measured by asset concentrations, exposure to extreme economic conditions, and market volatility. The Portfolio will be reviewed by the Executive/Finance Committee on a semi-annual basis, but results will be evaluated over running three to five year periods. However, the committee will regularly review recommendations provided by the Financial Adviser in order to confirm that the factors underlying performance expectations remain in place.

4. The Financial Adviser will report the following information quarterly:

- Total return net of all commissions and fees
- Returns for all asset classes of the Portfolio, identified by instrument
- Additions and withdrawals from the account
- Current holdings at cost and at market value
- Purchase and sales for the quarter

Regular communications concerning investment strategy and outlook is expected. Additionally, the Financial Adviser is required to inform the president and treasurer of NWACC immediately of any significant changes in firm ownership, organized structure, and professional personnel servicing the NWACC account.

## SCHEDULE I - ALLOCATION OF ASSETS

The following represents the asset allocation ranges by asset class category.

<u>Asset Class</u>	<u>Minimum</u>	<u>Maximum</u>	<u>Target</u>
Fixed Income	25%	60%	35%
Equity	40%	75%	65%
Income Oriented Equity			60% of equity fund
Growth Oriented Equity			40% of equity fund

## SCHEDULE II - GUIDELINES FOR THE FIXED INCOME FUND

1. The primary objective of the Fixed Income Fund is to achieve a net annual real return of at least **2%**. Secondary objectives are to outperform (net of fees) the *Lehman Brothers Aggregate Bond Index* or other appropriate fixed income indices by 0.50%, as well as appropriate mean performance measures of fixed income managers. Performance will be monitored on a regular basis and evaluated over a running three to five year period.

2. Money market instruments as well as bonds may be used in the Fixed Income Fund, but equities and convertibles are excluded.

3. The average portfolio quality is to remain A or better.

## SCHEDULE III - GUIDELINES FOR THE EQUITY FUND

1. The primary objective for the Equity Fund is to achieve a net annual real return (after inflation and investment fees) of at least **5%**. Secondary objectives are to outperform (net of fees) the S&P 500, the Wilshire 5000, or other appropriate equity indices by 1.00%, as well as the appropriate mean performance measures of equity managers. Performance will be monitored on a regular basis and evaluated over a running three to five year period.

2. The Equity Fund will be broadly diversified according to economic sector, industry, number of holdings, and other investment characteristics. In order to achieve its investment objective, the Equity Fund may be composed of index funds as well as actively managed funds. Diversification will be achieved at Equity Fund level and not necessarily at the individual fund level.

3. Included within the Equity Fund may be distinct allocations to large capitalization, small capitalization, and international equities. The basic performance objective for the portfolio as a whole is to outperform the broad equity market, but individual sub-portfolios will have individual portfolio objectives as follows over a three to five year period:

- a. *Large Cap Equity - Outperform the S&P 500 by 1.00%*
- b. *Small Cap Equity - Outperform the Russell 2000 by 1.00%*
- c. *International Equity - Outperform the EAFE by 1.00%.*

## **Appendix B: NWACC Conflict of Interest Policy**

In order to avoid potential conflicts of interest and to ensure fairness and impartiality in NorthWest Academic Computing Consortium (NWACC) board and committee decision making, officers and directors of NWACC agree to be bound by the following rules. It is understood that these rules are intended to supplement and not replace any state or federal laws governing conflicts of interest applicable to not-for-profit corporations.

Except as expressly permitted by board resolution or the bylaws of the Corporation:

1. Officers and Board members will refrain from voting on or otherwise attempting to influence a decision of the board or a board committee that would result in the allocation of grants, award stipends, service contracts, or other Corporation funds to an institution with which that individual is affiliated.
2. Officers and Board members will refrain from voting on or otherwise attempting to influence a decision of the board or a board committee that would result in distribution of Corporation funds or other Corporation assets to themselves.
3. Officers and Board members will disclose to the board in writing any financial interest they may have in a third party intended to be the recipient of Corporation funds and refrain from voting on or otherwise attempting to influence a decision of the board with regard to that party.

Should an Officer or Board member knowingly violate these rules he/she will be subject to penalties, as determined by the Executive Committee of the Board, that may include removal as an officer or director of the Corporation.

## **Appendix C: Whistleblower Policy**

NWACC requires directors, officers and contract employees to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. It is the responsibility of all directors, officers and contract employees to comply with this requirement and to report violations or suspected violations in accordance with this Whistleblower Policy.

### **No Retaliation**

No director, officer or contract employee who in good faith reports a violation shall suffer harassment, retaliation or adverse consequence. A director, officer or contract employee who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of service contract and civil procedures. This Whistleblower Policy is intended to encourage and enable members and associates of the organization to raise serious concerns within the organization prior to seeking resolution outside the organization.

### **Reporting Violations**

Individuals associated with the organization who have serious questions, concerns, or complaints should contact the NWACC president and treasurer. If such conversation is uncomfortable or does not produce a satisfactory outcome, individuals should contact the Chair and Vice Chair of the board.

### **Handling of Reported Violations**

The president will notify the sender and acknowledge receipt of the reported violation or suspected violation in a timely manner. All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation.

### **Confidentiality**

Violations or suspected violations may be submitted on a confidential basis by the complainant or may be submitted anonymously. Reports of violations or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

### **Investigating Complaints**

The president is responsible for investigating and resolving all reported complaints and allegations concerning violations. The president shall notify the executive committee when a complaint or allegation is received and shall report on the outcome of an investigation, while preserving confidentiality of involved parties to the extent possible. In the event that a complaint involves the president, the responsibility shall fall to the chair of the board.

### **Accounting and Auditing Matters**

The executive committee of the board of directors shall address all reported concerns or complaints regarding corporate accounting practices, internal controls, or auditing. The chair of the board shall immediately notify the audit committee of any such complaint and work with the committee until the matter is resolved.

## **Appendix D: NWACC Travel Policy**

In order to insure that NWACC funds used to subsidize travel expenses are allocated in a prudent manner, consistent with IRS guidelines for 501(c)(3) not-for-profit organizations, the NWACC Board endorses the following policy:

1. Travel arrangements should be made so as to obtain the most favorable rates.
2. Travel support will be provided only to persons traveling on behalf of NWACC or to participants in NWACC-sponsored events. Support will NOT be provided to family members, friends, or associates of those traveling on behalf of NWACC.
3. Travelers will be required to provide original receipts and a reimbursement request form for all travel-related expenses.
4. Reimbursement requests must be submitted within a pre-specified timeframe in order to be honored.
5. Travel support will NOT be provided for personal expenses such as phone calls, laundry, hotel movies, etc. NWACC does not consider internet access a personal expense, and will reimburse Board members for the cost of internet access.

Travelers will be required to review this policy before receiving travel support or reimbursement from NWACC.

## **Appendix E: NWACC Voting Policy**

### **Board Voting and Proxies**

The only persons permitted to cast votes on matters before the NWACC board are institutional representatives appointed by the chief executive officer of a member institution. Persons who are not institutional representatives may not attend board meetings nor vote on matters before the board.

Members of the board who are unable to attend a meeting of the board may, at their sole discretion and by written notification to the president or chair of the board of NWACC in advance of the meeting, appoint an Officer, Executive Committee member, or other member of the board as proxy, to act on their behalf as follows:

**Restricted proxy** - An absent Board member may direct that his/her proxy cast a designated vote on a specific matter or matters.

**Unrestricted proxy** - An absent board member may direct that his/her proxy cast votes (or abstain from casting votes) on any matter, including floor motions, which come before the board during the course of a meeting. The manner of such votes need not be designated in advance.

### **Voting and Confidentiality**

Votes cast by Board members for grant and award ratings, the election of officers, and other matters are customarily sent to [nwacc@reed.edu](mailto:nwacc@reed.edu) and read only by the president and administrative assistant. Unless requested otherwise, and with the approval of the Executive Committee, only summary results of such votes are provided to committee members or others on the Board.