

## **Proposed By-Laws Revision – Posted April 2017**

**Purpose:** Proposal to amend the organization By Laws with respect to definition of and provide clarification for certain administrative points related to the “General Operating Budget”. In addition, clarify the administration of the “Sustainability Budget”.

**Proposed Modification:** Add New Sections 5.6 & 5.7 (below) to Section 5 of the current By-Laws

### **Section 5.6 General Operating Budget**

- a. Annually a “General Operating Budget” [“GOB”] will be drafted for the purposes of identifying proposed revenues and expenses for the succeeding fiscal year and in order to facilitate compliance with submission of a budget for approval to the general membership under Section 2.3.2 Annual Meeting.
- b. For purposes of this Section 5.6, a “Budget Committee” comprised of no less than 4 members, including (but not limited to) the Band Director, Treasurer, Bookkeeper, and President, will meet to prepare the draft of the GOB to submit for approval to the general membership. The Budget Committee will use best efforts to identify relevant expense items and amounts, including review of the prior year budget vs. actual operating results and communicate with other relevant parties, such as Board Directors, Chairpersons, Staff, and other interested parties (as needed).
- c. All line items included in the GOB will include adequate description and support for various funding resources and needs, including but not limited to “Fundraising” (expectations), “Dues” (rates), “Sustainability” (transfers), “intrastate and interstate travel”, “[outsource] staff and consultants”, “music equipment & repair”, “uniform”, “show design (including “score”, “choreography”, and “prop”)", “Director’s Fund”, “Scholarship & Benevolence”, etc.
- d. The amounts included in the GOB will include sufficient detail and descriptions and where discretionary spending amounts may be included in the GOB, there will be a \$500 limit for any discretionary expense that may be incurred without specific approval by the organization’s Board of Directors.
- e. Any expense amounts not specifically included in the GOB will be subject to Section 7.1. [“Procedures for Expenditures not under the General Operating Budget”.]

### **Section 5.7 Sustainability Budget**

- a. The “Budget Committee” will also be responsible for reviewing and maintaining the “Sustainability Budget” [“SB”], a separate fund specifically established to account for long-term expenditure needs and expectations related to the continued success of the Band.
- b. The annual review and maintenance of the SB will necessarily require participation by the Vice President – Sustainability, and will rely on this officer’s input with respect to any applicable modifications to the SB [as referenced under Section 3.2].
- c. No less than annually, the existing SB line items should be reviewed for continued applicability and reasonableness, as well as to identify new long-term cost needs that may need to be included. The review of the SB may be conducted concurrently with the annual GOB review or independently.
- d. In addition, annually an amount of contribution from the GOB to the SB fund will be required to be included in both budgets.
- e. The SB is considered to be a “restricted fund” as imposed by the Board of Directors and subject to their discretion. Release of funds for line items enumerated under the SB will be made only following adequate notification to and approval by the Board of Directors.