



Budget and Investment

Merged August 2025

Policy

Purpose: To guide the Association in budget and investment matters.

1. The budget committee members may meet and discuss any fiscal matters of the Association as they deem appropriate.
2. A budget of proposed Association expenditures and income will be submitted to the board for approval at the summer meeting.
3. The budget sheet will break down salaries into payroll, life insurance, retirement, health, and payroll taxes.
4. A reputable agency will conduct a yearly audit that meets current practices for 501-6C non-profit organizations.
5. The committee will review the office staff's retirement investment and health and life insurance expenditure each year. The amount will be reviewed and placed on the budget every year at the summer board meeting.
6. The Board of Directors' approval of any overextended category within the budget will be required.
7. Board members will share hotel rooms for the winter board meeting. If a member wishes to bring a spouse, the ATAT will only cover half of the room cost, with the board member paying the remainder.
8. According to the Texas State Comptroller's office, mileage reimbursement for board members and the executive director will be based on the current adopted state.
9. The committee will review all ATAT insurance policies, including property and liability. The executive director has the power to act on any increases in coverage.
10. Beginning January 1, 2020, ATAT will charge the ATAT Credit Union \$2212.35 for monthly rent, \$40 for kitchen supplies, and actual reimbursement for equipment, postage, and copies.
11. Beginning January 1, 2020, ATAT will charge the FFA Foundation \$1705.20 monthly for rent, \$40 for kitchen supplies, and actual reimbursement costs for equipment, postage, and copies.
12. Beginning September 1, 2020, ATAT will charge the FFA Association \$4128.86 monthly for rent, \$40 for kitchen supplies, and actual reimbursement for equipment, postage, and copies.

13. The Officers and Executive Director will have their expenses paid to the National Association of Agricultural Educators Convention (NAAE), the Association for Career and Technical Education (ACTE), and the Region II Conference.
14. The ATAT will pay the expenses of NAAE award winners who advance to the Region II Conference.
15. The executive director will review and sign off on the monthly bank reconciliations provided by the Finance Coordinator.
16. Each year, at mid-year, the investment committee meets to review and recommend changes to the full board.
17. The ATAT will strive to maintain a reserve of 25% of its operating budget.
18. Review our CDs each year. This can include liquidating any part of these holdings and re-investing elsewhere or taking no action.
19. Our non-restricted investment account must be reviewed each year. This could again include liquidating any part of the fund and investing elsewhere or continuing.
20. Our restricted legacy endowment account will be managed based on the following principles: based on the third-quarter gain over the previous year, excluding new donations, the association may disburse 80% of the return to use for the current year's scholarships, with the remaining 20% growing the corpus.
21. The following will relate to managing our operating account surplus or deficit. Assuming a surplus in operating funds, the full board will recommend how to invest the balance. Assuming a deficit exists, recommendations on where to access funds to balance the budget.
22. The board can review this policy at any time, and it may be altered by a majority vote of the ATAT Board. It is not designed to limit the current management of the funds but to provide structure and continuity.

Operational Protocols

1. The committee may request that the Association's fiscal matters be reviewed to ascertain that funds are used most effectively.
2. A budget for the association will be designed in a form the membership can understand.
3. The committee should always take a conservative approach to investments while examining opportunities for increased returns.
4. The Association should operate in a financially prudent way.

5. Maintain financial reserves to allow our association to do business regardless of economic downturns or unexpected expenses.