

Policy Manual

of the

Iowa High School Music Association



Introduction

This policy manual provides the basic policy guidelines by which the Iowa High School Music Association implements its, constitution, mission statement, and related strategic objectives.

The IHSMA Executive Committee, retains the sole authority to determine policy, which sets parameters for the functioning of IHSMA. The IHSMA staff develops and implements procedures to achieve the goals and objectives established by committee policy.

Policies and procedures outlined in the constitution of IHSMA are referenced but not repeated in this manual.

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Subject: Adjudication

Policy Name: Contract Cancellation

Approved By: Executive Committee

Effective Date: _____

Judges must pay a \$25.00 revocation fee to cancel a contract within 21 days of the festival for any reason other than medical or emergency. The IHSMA pays \$25.00 to any judge if we must void a contract within the last 21 days.

Subject: All-State Festival

Policy Name: Bus Passes

Approved By: Executive Committee

Effective Date: _____

If All-State conflicts with ISU football, one pass per school is issued to participants. It is their responsibility to determine which vehicle has access to the Hilton vicinity.

Subject: All-State Festival

Policy Name: Discipline Hearing Policy

Approved By: Executive Committee

Effective Date: _____

1. Any IHSMA or IMEA chaperone, or school director, has the duty to report violations of their students or students from another school.

2. Student(s) reported for violations, along with their director(s)/representative(s), must meet with the Executive Committee of the IHSMA. The President of the IHSMA and the Executive Director will establish the time and location of the hearing.

3. The President shall chair the meeting using Robert's Rules of Order for the proceedings. The Executive Director shall keep the minutes of the hearing.

4. Hearing procedures will proceed in the following manner:

A. The person having knowledge of the alleged conduct violation will provide a verbal summary to the Executive Committee.

B. The student(s) and school director(s) or representative(s) in question of alleged conduct violation will have an opportunity to provide comment or evidence.

C. The President will preside over questions raised by those in attendance.

D. Based upon circumstances, and on a case-by-case basis, the President or Executive Director may call for a closed session to discuss the issue at hand.

E. Following the discussion and closed session (if held), the President will call for a motion and second to be made so discussion may commence.

The second does not necessarily represent support for the action, simply that this process is required under Robert's Rules for discussion and a vote.

F. Following discussion, the President shall call for vote on the question.

Any Executive Committee member who has a conflict of interest will be disqualified from voting.

G. A majority of those voting shall determine the result of the motion. A tie in voting results in the motion failing.

H. If the motion fails, the President will call for an additional motion, and will implement the same process as described in (E) above. When a motion is successful, the hearing will be concluded.

5. The Executive Committee shall have the right and authority to dismiss the student(s) from the All-State Festival, and to impose other penalties or sanctions against the student(s) or school(s) involved on a case-by-case basis.

6. All follow-ups with the involved school(s) will be the responsibility of the Executive Director.

Subject: All-State Festival

Policy Name: Penalties for Late Entries

Approved By: Executive Committee

Effective Date: _____

Clerical errors in registration (wrong instrument or wrong voice part indicated on the Registration Form) can be corrected after the Penalty Postmark Deadline by paying a \$100.00 per student penalty. Omissions in registration can be added after the Penalty Postmark Deadline by paying the \$100.00 per student penalty **PLUS** the normal registration fee and late fee.

Subject: All-State Festival

Policy Name: Religious Beliefs Conflict

Approved By: Executive Committee

Effective Date: _____

If a student refuses to sing portions of the All-State literature because of religious beliefs, the first offering is to request their consideration of singing the text for audition only (no public witness), either standing silently or sitting during the All-State Festival concert. If this is not agreeable, offer the opportunity to sing their part on a neutral syllable (for audition only). Again, they would stand silently, or sit, during the public performance. If neither option is agreeable, have the principal submit a letter to the IHSMA office, certifying the religious status of the student. Upon receipt of this letter, the student is excused from singing those parts of the program which are in conflict with his/her religion. This letter is forwarded to the audition site and given to the vocal audition chair. The Vocal Chair must explain this situation to the vocal team so a mis-understanding does not exist. These students must be evaluated on the portion of the audition they sing.

Subject: Cancellations/Postponments

Policy Name: Refund of Entry Fees

Approved By: Executive Committee

Effective Date: _____

If a festival is postponed or cancelled, entry fees are not refunded. If judges have arrived at the site, they are reimbursed for expenses incurred (mileage, housing, and meal honorarium). Adjudicators will not be reimbursed for their adjudication honorarium unless the festival is postponed or cancelled after it has already begun – in that instance they will be reimbursed their full contract. Sites are paid any incurred expenses – phone, piano tunings, mailings, postage, etc.

Subject: Capitalization Threshold

Policy Name: Capitalization Threshold Policy

Approved By: Executive Committee

Effective Date: October 22, 2016

Definition and Threshold:

Capital purchases comprise furniture, fixtures, equipment (office and transportation), software, leasehold improvements, etc. that meet two criteria:

- 1) a useful life of more than one year, and
- 2) cost more than a certain amount.

The IHSMA Executive Committee has established \$1,000 as the threshold amount for capitalization.

Subject: Compensation Policy

Policy Name: N/A

Approved By: Executive Committee

Effective Date: _____

This Policy on the Process for Determining Compensation of the Iowa High School Music Association applies to the compensation of the following persons employed by the Iowa High School Music Association:

____ The Iowa High School Music Association's **chief employed executive**¹

____ Other **Officers**² or **Key Employees**³ of the Iowa High School Music Association by title:

(CHECK IF APPLICABLE; SUPPLY TITLES)

The process includes all of these elements: (1) review and approval by the executive committee or compensation committee of the Iowa High School Music Association; (2) use of data as to comparable compensation; and (3) contemporaneous documentation and recordkeeping.

1. **Review and approval.** The compensation of the person is reviewed and approved by the board of directors or compensation committee of the Iowa High School Music Association, provided that persons with conflicts of interest with respect to the compensation arrangement at issue are not involved in this review and approval.

2. **Use of data as to comparable compensation.** The compensation of the person is reviewed and approved using data as to comparable compensation for similarly qualified persons in functionally comparable positions at similarly situated organizations.

3. **Contemporaneous documentation and recordkeeping.** There is contemporaneous documentation and recordkeeping with respect to the deliberations and decisions regarding the compensation arrangement.

¹ **Chief employed executive** – The CEO (i.e., Chief Executive Officer), executive director, or top management official (i.e., a person who has ultimate responsibility for implementing the decisions of the Iowa High School Music Association's governing body or for supervising the management, administration, or operations of the Iowa High School Music Association).

² **Officer** – A person elected or appointed to manage the Iowa High School Music Association's daily operations, such as a president, vice-president, secretary or treasurer. The officers of the Iowa High School Music Association are determined by reference to its organizing document, bylaws, or resolutions of its governing body, or as otherwise designated consistent with state law, but at a minimum include those officers required by applicable state law. Include as officers the Iowa High School Music Association's top management official and top financial official (the person who has ultimate responsibility for managing the Iowa High School Music Association's finances).

³ **Key Employee** – An employee of the Iowa High School Music Association who meets all three of the following tests: (a) \$150,000 Test: receives reportable compensation from the Iowa High School Music Association and all related organizations in excess of \$150,000 for the year; (b) Responsibility Test: the employee: (i) has responsibility, powers, or influence over the Iowa High School Music Association as a whole that is similar to those of officers, directors, or trustees; (ii) manages a discrete segment or activity of the Iowa High School Music Association that represents 10% or more of the activities, assets, income, or expenses of the Iowa High School Music Association as compared to the Iowa High School Music Association as a whole; or (iii) has or shares authority to control or determine 10% or more of the Iowa High School Music Association's capital expenditures, operating budget, or compensation for employees; and (c) Top 20 Test: is one of the 20 employees (that satisfy the \$150,000 Test and Responsibility Test) with the highest reportable compensation from the Iowa High School Music Association and related organizations for the year.

Subject: Conflict of Interest Policy

Policy Name: N/A

Approved By: Executive Committee

Effective Date: _____

As a member of the Iowa High School Music Association Executive Committee or as a committee member, you have various fiduciary obligations to the Iowa High School Music Association as outlined in detail in the Executive Committee Policy Statement concerning Fiduciary Duties. As a further acknowledgement of your commitment to upholding these fiduciary obligations, all board members must sign the attached "Fiduciary Duties/Conflict of Interest Covenant" ("Covenant") and return it to the Iowa High School Music Association.

In order to answer any possible questions or concerns you may have regarding the Covenant, we have prepared the following explanation of each provision contained in the Covenant (references are to paragraph numbers in the Covenant):

1. Disclosure of any conflict of interest is a fundamental fiduciary duty. Any situation, which may give rise to a potential conflict of interest or give the appearance of a conflict of interest, must be disclosed as well.
2. As a fiduciary, members must always put the interests of the Iowa High School Music Association ahead of their own personal interests. As such, a member may be asked to submit a written statement of business or financial transactions that the member, his/her family or significant other may have had with the Iowa High School Music Association or its contractors. For example, if a member's spouse owns a partial interest in a company, which is developing a trade show for the Iowa High School Music Association, the member must fully disclose the situation to the Iowa High School Music Association President.
3. To avoid any appearance of impropriety, the Iowa High School Music Association will require a member to excuse him/herself from the discussion and voting of any matter in which the member has disclosed that the member or his/her family or significant other has had business or financial transactions with the Iowa High School Music Association.
4. As the Iowa High School Music Association is a tax exempt organization, the IRS prohibits members from receiving any portion of the Iowa High School Music Association assets for their own benefit, except when the member has performed services of value on behalf of the Iowa High School Music Association or when the member is entitled to reimbursement of expenses incurred on behalf of the Iowa High School Music Association.
5. Members must acknowledge that the disclosure of conflicts of interest is an essential part of the Covenant.

6. Given the importance of fiduciary duties, members must agree to abide by the Executive Committee Policy Statement concerning Fiduciary Duties and must acknowledge that failure to abide by the Policy Statement may result in termination of their directorship or committee membership.

7. Board members with professional certifications that are related to activities conducted by the board are not serving the board in a professional capacity. Their credentials are not being used in an official manner while serving on the board. For example, a CPA or a lawyer serving on the board is not using their professional credentials when discussing financial or legal issues of the board. They are serving the board as a board member. Board members with such a conflict will disclose their conflict of interest in the official minutes of the board once per their elected term on the board.

FIDUCIARY DUTIES/CONFLICT OF INTEREST COVENANT

1. I agree that in view of my service as a Director or committee member of the Iowa High School Music Association that I will disclose any actual or potential conflict of interest or any situation that might give the appearance of a conflict of interest.
2. Upon request of the Iowa High School Music Association President (and in the President's case, the Iowa High School Music Association Vice President), I will submit a written statement disclosing my business or financial transactions undertaken since the beginning of the preceding calendar year (or at any other time is relevant) that I, any member of my family, or a significant other, may have had with the Iowa High School Music Association or any group or individual doing business with the Iowa High School Music Association or its contractors.
3. I further agree that I will not take part in discussions on nor vote on any matter in which I, members of my family, or any significant others, have a business or financial interest.
4. I also agree that no part of the assets of the Iowa High School Music Association shall inure, directly or indirectly, to my benefit, except to the extent I have performed services or for which I am entitled to reimbursement for expenses I have incurred on behalf of the Iowa High School Music Association or as otherwise authorized by the Iowa High School Music Association.
5. I recognize that any conflict of interest statement that may be required, as described above, is essential to the business operations of the Iowa High School Music Association and, if requested, would constitute an essential part of this covenant.
6. I agree to abide by the Iowa High School Music Association Executive Committee Policy Statement concerning Fiduciary Duties. I understand that my failure to abide by any aspect of the Policy Statement shall cause my directorship to be subject to termination for cause.

Signature

Date

Print Name

Subject: Constitutional Amendments

Policy Name: N/A

Approved By: Executive Committee

Effective Date: _____

Any time the constitution is amended, it should be sent to the Internal Revenue Service (address in file cabinet)

Subject: Credit and Corporate Charge Cards

Policy Name: Credit and Corporate Charge Card Policy

Approved By: Executive Committee

Effective Date: October 22, 2015

The IHSMA Executive Director will be issued a credit card for IHSMA Business use only. Personal use of the card is prohibited.

Subject: Document Retention Policy

Policy Name: N/A

Approved By: Executive Committee

Effective Date: _____

I. Purpose

To ensure the most efficient and effective operation of the Iowa High School Music Association (“IHSMA”), we are implementing this Document Retention Policy (“DRP” or “policy”). The records of the IHSMA and its subsidiaries are important to the proper functioning of the IHSMA. Our records include virtually all of the records you produce as an IHSMA employee. Such records can be in electronic or paper form. Thus, items that you may not consider important, such as interoffice emails, desktop calendars and printed memoranda are records that are considered important under this policy. If you are ever uncertain as to any procedures set forth in this policy (e.g., what records to retain or destroy, when to do so, or how) it is your responsibility to seek answers from the IHSMA’s Executive Director.

The goals of this DRP are to:

1. Retain important documents for reference and future use;
2. Delete documents that are no longer necessary for the proper functioning of the IHSMA;
3. Organize important documents for efficient retrieval; and
4. Ensure that you, as an IHSMA employee, know what documents should be retained, the length of their retention, means of storage, and when and how they should be destroyed.

Federal and state laws require the IHSMA to maintain certain types of records for particular periods. Failure to maintain such records could subject you and the IHSMA to penalties and fines, obstruct justice, spoil legal evidence, and/or seriously harm the IHSMA’s position in litigation. Thus, it is imperative that you fully understand and comply with this, and any future records retention or destruction policies and schedules UNLESS you have been notified by the IHSMA, or if you believe that (1) such records are or could be a relevant to any future litigation, (2) there is a dispute that could lead to litigation, or (3) the IHSMA is a party to a lawsuit, in which case you MUST PRESERVE such records until the IHSMA’s legal counsel determines that the records are no longer needed.

“Records” discussed herein refers to all business records of the IHSMA (and is used interchangeably with “documents”), including written, printed, and recorded materials, as well as electronic records (i.e., emails and documents saved electronically). All business records shall be retained for a period no longer than necessary for the proper conduct and functioning of the IHSMA. No business records shall be retained longer than five (5) years, EXCEPT those that (1) have periods provided for herein, (2) are in the Document Retention Schedule, found at Appendix “A”, or (3) are specifically exempted by the IHSMA’s Executive Director.

II. Management

To ensure compliance with this DRP, the IHSMA’s Executive Director is responsible for the following oversight functions:

Implementing the DRP;

Ensuring that employees are properly educated, understand, and follow the DRP’s purpose;

Providing oversight on actual retention and destruction of documents;

Ensuring proper storage of documents;
Suspending the destruction of documents upon foreseeable litigation; and
Keeping corporate officers, directors and employees apprized of changes in relation to the DRP.

The IHSMA's Executive Director shall annually review the DRP, modify it accordingly, and inform and educate all IHSMA employees on any such changes. All questions relating to document retention and/or destruction should be directly addressed to the IHSMA's Executive Director.

III. Types of Records

Appendix "A", attached at the end of this DRP, lists several categories of records, as well as specific records that contain specific retention periods. This is referred to as a Document Retention Schedule ("DRS"). All records not provided for in the DRS or described herein, shall be classified into three types, (1) Temporary Records, (2) Final Records, and (3) Permanent Records.

Temporary Records

Temporary records include all business documents that have not been completed. Such include, but are not limited to written memoranda and dictation to be typed in the future, reminders, to-do lists, report, case study, and calculation drafts, interoffice correspondence regarding a client or business transaction, and running logs.

Temporary records can be destroyed, or permanently deleted if in electronic form (see protocol below for proper destruction of data in electronic form) when a project/case/file closes. Upon the closing of a project/case/file, gather and review all such temporary records. Before you destroy or permanently delete these documents, make sure you have duplicates of all the final records pertaining to the project/case/file. Upon destruction or deletion, organize the final records (and duplicates) in a file marked "FINAL" and store them appropriately.

Final Records

Final records include all business documents that are not superseded by modification or addition. Such include, but are not limited to: documents given (or sent via electronic form) to any third party not employed by the IHSMA, or government agency; final memoranda and reports; correspondence; handwritten telephone memoranda not further transcribed; minutes; design/plan specifications; journal entries; cost estimates; etc. All accounting records shall be deemed final.

Permanent Records

Permanent records include all business documents that define the IHSMA's scope of work, expressions of professional opinions, research and reference materials. Such include, but are not limited to contracts, proposals, materials referencing expert opinions, annual financial statements, federal tax returns, payroll registers, copyright registrations, patents, etc.

Except as provided for in the Document Retention Schedule (Appendix "A"), all permanent documents are to be retained indefinitely.

Accounting and Corporate Tax Records

Accounting and corporate tax records include, but are not limited to: financial statements; ledgers; audit records; invoices and expense records; federal, state, and property tax returns; payroll; accounting procedures; gross receipts; customer records; purchases; etc. Unless otherwise specified in the DRS, such records should be retained for a minimum of seven (7) years or until the statute of limitations for a particular record expires (please consult the IHSMA's counsel for time periods if you manage/control such records).

Workplace Records

Workplace records include, but are not limited to Articles of Incorporation, bylaws, meeting minutes, deed and titles, leases, policy statements, contracts and agreements, patents and trademark records, etc.

Unless otherwise specified in the DRS, such records should be retained in perpetuity.

Employment, Employee, and Payroll Records

Employment records include, but are not limited to job announcements and advertisements; employment applications, background investigations, resumes, and letters of recommendation of persons not hired; etc. Unless otherwise specified in the DRS, such records should be retained for a minimum of one (1) year.

Employee records include, but are not limited to employment applications, background investigations, resumes, and letters of recommendation of current and past employees, records relating to current and past employee's performance reviews and complaints, etc.

Unless otherwise specified in the DRS, such records should be retained for the minimum of three (3) years following unemployment with the IHSMA.

Payroll records include, but are not limited to wage rate tables; salary history; current rate of pay; payroll deductions; time cards; W-2 and W-4 forms; bonuses; etc.

Unless otherwise specified in the DRS, such records should be retained for the minimum of six (6) years.

Bank Records

Bank records include, but are not limited to all contracts, legal records, statements, and correspondence, trademark and copyright registrations, patents, personal injury records and statements, press releases, public findings, etc.

Legal Records

Legal records include, but are not limited to all contracts, legal records, statements, and correspondence, trademark and copyright registrations, patents, personal injury records and statements, press releases, public findings, etc.

Unless otherwise specified in the DRS, such records should be retained for the minimum of ten (10) years.

Historical Records

Historical records are those that are no longer of use to the IHSMA, but by virtue of their age or research value may be of historical interest or significance to the IHSMA. Historical records should be retained indefinitely.

IV. Storage

Tangible Records

Tangible records are those in which you must physically move to store, such as paper records (including records printed versions of electronically saved documents), photographs, audio recordings, advertisements and promotional items. Active records and records that need to be easily accessible may be stored in the IHSMA's office space or equipment.

Electronic Records

Electronic mail ("E-mail") should be either printed and stored as tangible evidence, or downloaded to a computer file and kept electronically or on a disk.

IHSMA has computer software that duplicates files, which are then backed-up on the server. However, it is important that all employees take precautionary measures to save work and records on the IHSMA's network drive. If you save sensitive or important records on computer disks, you should duplicate the information in an alternate format because disks are easily lost or damaged.

V. Destruction/Deletion

Tangible Records

Tangible records should be destroyed by shredding or some other means that will render them unreadable. If you have a record that you do not know how to destroy, such as a photograph, compact disk, or tape recording, ask the advice of the IHSMA's Executive Director.

Electronic Records

E-mail records that you "delete" will remain in the IHSMA's system. Thus, IHSMA will be responsible for permanently removing deleted emails from the computer system.

Deleting files and emptying the recycling bin is usually sufficient in most circumstances to get rid of a record. However, because electronic records can be stored in many locations, the IHSMA will be responsible for permanently removing deleted files from the computer system.

Keep in mind, where duplicate records are involved, both copies must be destroyed/deleted where proper.

VI. Cessation of Record Destruction/Deletion

If a lawsuit is filed or imminent, or a legal document request has been made upon the IHSMA, **ALL RECORD DESTRUCTION MUST CEASE IMMEDIATELY.** The IHSMA's Executive Director may suspend this DRP to require that documents relating to the lawsuit or potential legal issue(s) be retained and organized. A critical understanding of this section is imperative. Should

you fail to follow this protocol, you and/or IHSMA may be subject to fines and penalties, among other sanctions.

VII. Acknowledgement

I have read and understand the purpose of this DRP. I understand that strict adherence to this DRP is a condition of my employment with the IHSMA. If I do not understand something regarding this DRP, I will contact the IHSMA's Executive Director immediately for clarification. I agree to abide by this IHSMA's DRP.

Employee's Signature

Date

Employee's Name (print)

Subject: Eligibility

Policy Name: Early Graduation

Approved By: Executive Committee

Effective Date: _____

Early graduation - eligibility ceases with the last day of regular classroom attendance.

Subject: Eligibility

Policy Name: Home-school Students

Approved By: Executive Committee

Effective Date: _____

Home-school students must establish dual-enrollment with the public school of their residence, or the parochial school of their choice. Once dual-enrollment has been established, home-schooled students are afforded the same opportunities as any other high school student in Iowa.

Subject: Executive Committee

Policy Name: Expense Reimbursement - other representative boards

Approved By: Executive Committee

Effective Date: _____

Expenses will be paid for Executive Committee members who serve on other representative boards (NF, IAAE) where their expenses are not covered.

Subject: Executive Committee

Policy Name: National Federation Summer Meeting

Approved By: Executive Committee

Effective Date: _____

All members of the Executive Committee will be invited to attend and their expenses will be reimbursed.

Subject: Executive Committee

Policy Name: Service Recognition

Approved By: Executive Committee

Effective Date: _____

Upon expiration of a term, retirement, or moving to another state, Executive Committee members are presented with a plaque from A&M Products Company if they have served less than one full term (5 years). If they have served at least one full term, or more, they are presented with a plaque and an engraved wrist watch or pocket watch. The back of the watch would state: I.H.S.M.A. and then the years of their service

Subject: Executive Director

Policy Name: Meals, Travel Expense and Personal Time

Approved By: Executive Committee

Effective Date: _____

Meals taken while traveling are a personal expense if eaten alone. If dining with other directors or administrators, they can be charged against the Association.

Any work done, in state, with music program or directors, are not deducted from personal days. Association car can be used and remuneration accepted. Work done out-of-state, is dependent upon the nature of the business. If serving as out-of-state adjudicator, personal days, or vacation days, must be used and all expenses are personal. If asked to clinic on information that is office-related, no expenses or time usage are personal. Meals taken while traveling are a personal expense if eaten alone. If dining with other directors or administrators, they can be charged against the Association.

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Subject: Internal Controls

Policy Name: Internal Controls Policy/Process

Approved By: Executive Committee

Effective Date: October 22, 2015

GENERAL:

The purpose of this policy is to create appropriate internal controls for the receipting and expenditure of association monies.

Internal Controls Policy/Process

Receipts:

1. Mail will be opened in the joint mail room. All checks will be logged by designated IHSAA administrative assistant who will print off and sign that log and then provide that log to a 2nd designated IHSAA administrative assistant. All checks will be electronically deposited by a 2nd designated IHSAA administrative assistant who will print off a deposit report and sign it and who also will balance the deposit against the log. Once the deposit has been made and both reports are in balance all paperwork will be brought to the IHSMA Administrative Assistant for entry into financial software.
2. The IHSMA Administrative Assistant will archive all deposited checks for 90 days and then destroy.
3. The IHSMA Executive Committee Treasurer will review quarterly the log sheets, deposit summaries, and financial reports to ensure they all are in agreement.

Expenditures:

1. The IHSMA Executive Director will approve all invoices. The IHSAA Director of Finance will also review each invoice for accuracy and relevance. If the IHSAA Director of Finance has a question regarding an invoice that is not resolved by communicating with the IHSMA Executive Director, the IHSAA Director of Finance will communicate with the IHSMA Executive Board President for approval.
2. All reimbursements to the IHSMA Executive Director will be approved by the IHSMA Executive Committee President and the check signed by the IHSAA Director of Finance (who shall have check writing privileges).

Subject: Internal Controls

Policy Name: Check Signing Policy

Approved By: Executive Committee

Effective Date: October 22, 2015

GENERAL:

Invoices for more than \$2,500 will be approved by the IHSMA Executive Director and IHSAA Director of Finance. Once approved the check will be written by the IHSMA Administrative Assistant, signed by the IHSMA Executive Director and then reviewed by the IHSAA Director of Finance to determine if the invoice and check are in balance.

Subject: Investments

Policy Name: Investment Policy for Reserve Fund

Approved By: Executive Committee

Effective Date: April 26, 2012

GENERAL:

The goal of the Iowa High School Music Association in managing its reserve fund shall be to protect and preserve capital and to provide liquidity through income cashflow and security sales. The purpose of the reserve fund is to cover unexpected cash flow shortages, expenses or losses of the Association. To the extent that such fund exceeds 12 months of the Association's operating budget, investments may be made in a manner consistent with the aforementioned goals but also for purposes of maximized returns.

I. INVESTMENT MANAGEMENT ORGANIZATION

A. ASSOCIATION'S EXECUTIVE COMMITTEE

1. The Association's Executive Committee delegates investment authority for the Association's investment portfolio relating to its reserve fund to the executive director or any other person so designated by the Executive Committee (Investment Officers) who, subject to the limitations set forth below, may act alone in the purchase and sale of U.S. Treasury obligations, direct government agency securities, municipal bonds, corporate bonds or fully insured certificates of deposit.
2. The approval of the Association's Executive Committee is required for (a) any other investments; and (b) any individual investment that exceeds \$200,000.

II. AUTHORIZED INVESTMENTS

A. U.S. TREASURY AND GOVERNMENT AGENCY SECURITIES

B. MUNICIPAL GENERAL OBLIGATION AND REVENUE BONDS: Rated municipal bonds must have a rating of A-/A3 or higher in order to be purchased for the investment portfolio. Municipal bonds should generally be no less than 0% and no greater than 10% of the total investment portfolio.

C. CERTIFICATES OF DEPOSIT: Generally, Certificates of Deposit will be purchased in such amounts and at such institutions so as to ensure that all certificates are covered by federal deposit insurance. Certificates of Deposit should generally be no less than 0% and no greater than 100% of the total investment portfolio.

D. CORPORATE BONDS: Corporate bonds must have a rating of A+/A-1 or higher in order to be purchased for the investment portfolio. Corporate bonds should generally be no greater than 50% of the total investment portfolio.

E. EQUITIES: Equities should have a safety rating by ValueLine of "1" or "2", or a Standard & Poors rating of A or better, or a Morningstar rating of "4-stars" or "5-stars". Equities should generally be no greater than 15-20% of the total investment portfolio.

III. PROHIBITED INVESTMENTS:

- The following investments shall not be purchased without prior Association Executive Committee approval:
- Off-balance sheet instruments such as swaps, options, interest rate futures, or other similar market strategies designed to minimize losses, but which also may involve considerable risks by uninformed or inexperienced participants.
- Gains trading, pair offs, when issued, and other similar transactions designed to take advantage of short-term fluctuations in interest rates.

IV. MATURITY:

Bonds shall generally have a final maturity of three or five years at the Executive Director or Executive Assistant's discretion. For mortgage backed investments, the average life will be substituted for final maturity when determining the percentage of maturities coming due in three to five years. The final maturity will be limited to 20 years for all bond categories except municipal, mortgage backed securities, and step-up bond categories. The average life on the mortgage backed portfolio should not exceed eight years. Municipal bonds will be limited to a 20 year maturity. Due to the nature of the securities' structure, trust preferred securities may have final maturities of 60 years.

V. SECURITIES DEALERS:

Investments will be made through investment managers approved by the Association's Executive Committee. A review of the firms' financial statements will be made prior to approval of any new managers.

VI. YIELD:

There is a strong correlation between risk, maturity, and yield. A higher yield usually denotes a greater risk and/or longer maturity. While it is natural for Investment Officers to seek a high yield, restraint must be exercised to assure that liquidity and quality objectives are not compromised.

VII. AUDIT:

- The Association will be audited annually to determine the following:
- Investment policies and procedures are in conformance with this policy.
- Management's compliance with applicable laws and regulations.
- The adequacy of internal controls.

VIII. REPORTING:

The purchase and sale of investment securities will be reported at each regular meeting of the Executive Committee. The report shall include the issuer, price, yield, par value, stated maturity, gain, or loss on sales, and information on any call or variable rate features. The Executive Committee will be notified at the next regular meeting if any investments have fallen below investment grade.

IX. EXCEPTIONS:

Policy exceptions will be reported to the Association's Executive Committee who shall either ratify the exception or approve a time frame for correction with reports on progress made no less frequently than quarterly.

Subject: Joint Venture Policy

Policy Name: N/A

Approved By: Executive Committee

Effective Date: _____

This Joint Venture Policy of the Iowa High School Music Association requires that the Iowa High School Music Association evaluate its participation in joint venture arrangements under Federal tax law and take steps to safeguard the Iowa High School Music Association's exempt status with respect to such arrangements. It applies to any joint ownership or contractual arrangements through which there is an agreement to jointly undertake a specific business enterprise, investment, or exempt-purpose activity as further defined in this policy.

1. Joint ventures or similar arrangements with taxable entities. For purposes of this policy, a joint venture or similar arrangement (or a "venture or arrangement") means any joint ownership or contractual arrangement through which there is an agreement to jointly undertake a specific business enterprise, investment, or exempt-purpose activity without regard to: (1) whether the Iowa High School Music Association controls the venture or arrangement; (2) the legal structure of the venture or arrangement; or (3) whether the venture or arrangement is taxed as a partnership or as an association or corporation for federal income tax purposes. A venture or arrangement is disregarded if it meets both of the following conditions:

- a. 95% or more of the venture's or arrangement's income for its tax year ending with the Iowa High School Music Association's tax year is excluded from unrelated business income taxation [including but not limited to: (i) dividends, interest, and annuities; (ii) royalties; (iii) rent from real property and incidental related personal property except to the extent of debt-financing; and (iv) gains or losses from the sale of property]; and
- b. the primary purpose of the Iowa High School Music Association's contribution to, or investment or participation in, the venture or arrangement is the production of income or appreciation of property.

2. Safeguards to ensure exempt status protection. the Iowa High School Music Association will: (a) negotiate in its transactions and arrangements with other members of the venture or arrangement such terms and safeguards adequate to ensure that the Iowa High School Music Association's exempt status is protected; and (b) take steps to safeguard the Iowa High School Music Association's exempt status with respect to the venture or arrangement. Some examples of safeguards include:

- i. control over the venture or arrangement sufficient to ensure that it furthers the exempt purpose of the organization;
- ii. requirements that the venture or arrangement gives priority to exempt purposes over maximizing profits for the other participants;
- iii. that the venture or arrangement not engage in activities that would jeopardize the Iowa High School Music Association's exemption; and
- iv. that all contracts entered into with the organization be on terms that are arm's length or more favorable to the Iowa High School Music Association.

Subject: Minutes

Policy Name: N/A

Approved By: Executive Committee

Effective Date: _____

The minutes of all meetings are printed and distributed to the members of the Executive Committee, District Advisory Group, and Department of Education.

Subject: Non-Discrimination Policy

Policy Name: Performing

Approved By: Executive Committee

Effective Date: June 26, 2013

The Iowa High School Music Association (IHSMA) is an equal opportunity provider of services. The IHSMA does not discriminate on the basis of race, creed, color, religion, sex, national origin, age, physical or mental disability, sexual orientation, or gender identity in any decision pertaining to participation in any program or service offered or sponsored by the IHSMA, the conduct of competition, selection of officials, host schools, or in any other manner or fashion. The IHSMA complies with all the laws and regulations of the United States and the State of Iowa pertaining to providing such services and expects similar compliance by its member schools and all participants.

Inquiries regarding compliance with Title IX of the 1972 Educational Amendments or Title VI of the ADA/Section 504 of the Rehabilitation Act of 1973 may be directed to the Director of the Region VII Offices of Civil Rights, United States Department of Education, 111 N. Canal St., Chicago, Illinois, 60606.

Subject: Non-Discrimination Policy

Policy Name: Employment

Approved By: Executive Committee

Effective Date: June 26, 2013

The Iowa High School Music Association (IHSMA) is an equal opportunity employer. The IHSMA does not discriminate on the basis of race, creed, color, religion, sex, national origin, age, physical or mental disability, sexual orientation, gender identity, or veteran's status in any decision pertaining to employment, including hiring, firing, wages, hours and other terms and conditions of employment. The IHSMA complies with all the laws and regulations of the United States and the State of Iowa pertaining to employment issues and expects similar compliance by its member schools.

Inquiries regarding compliance with Title IX of the 1972 Educational Amendments or Title VI of the ADA/Section 504 of the Rehabilitation Act of 1973 may be directed to the Director of the Region VII Offices of Civil Rights, United States Department of Education, 111 N. Canal St., Chicago, Illinois, 60606.

Subject: Ratings Errors

Policy Name: N/A

Approved By: Executive Committee

Effective Date: _____

If a host site records a rating incorrectly, what is written on the ballot stands. The posted rating and/or Judges Compiled Report are corrected to reflect the ballot.

Subject: Registration

Policy Name: Refunds

Approved By: Executive Committee

Effective Date: _____

The IHSMA refunds no registration amount smaller than 1 S/SE entry (\$12.00).

Subject: Site Change Request

Policy Name: Marching Band

Approved By: Executive Committee

Effective Date: _____

Schools may change district assignment within their half of the state if registrations permit such a change, however, they cannot change from north to south, or vice-versa.

Subject: Site Change Request

Policy Name: Other Large Ensemble Festivals

Approved By: Executive Committee

Effective Date: _____

Schools may request a site change, submitted with their registration. Requests are accommodated on an “if room” basis.

Subject: Whistleblower Policy

Policy Name: N/A

Approved By: Executive Committee

Effective Date: _____

This **Whistleblower Policy** of the Iowa High School Music Association: (1) encourages staff and volunteers to come forward with credible information on illegal practices or serious violations of adopted policies of the Iowa High School Music Association; (2) specifies that the Iowa High School Music Association will protect the person from retaliation; and (3) identifies where such information can be reported.

1. Encouragement of reporting. The Iowa High School Music Association encourages complaints, reports or inquiries about illegal practices or serious violations of the Organization's policies, including illegal or improper conduct by the Iowa High School Music Association itself, by its leadership, or by others on its behalf. Appropriate subjects to raise under this policy would include financial improprieties, accounting or audit matters, ethical violations, or other similar illegal or improper practices or policies. Other subjects for which the Iowa High School Music Association has existing complaint mechanisms should be addressed under those mechanisms, such as raising matters of alleged discrimination or harassment via the Iowa High School Music Association's human resources channels, unless those channels are themselves implicated in the wrongdoing. This policy is not intended to provide a means of appeal from outcomes in those other mechanisms.

2. Protection from retaliation. The Iowa High School Music Association prohibits retaliation by or on behalf of the Iowa High School Music Association against staff or volunteers for making good faith complaints, reports or inquiries under this policy or for participating in a review or investigation under this policy. This protection extends to those whose allegations are made in good faith but prove to be mistaken. The Iowa High School Music Association reserves the right to discipline persons who make bad faith, knowingly false, or vexatious complaints, reports or inquiries or who otherwise abuse this policy.

3. Where to report. Complaints, reports or inquiries may be made under this policy on a confidential or anonymous basis. They should describe in detail the specific facts demonstrating the basis for the complaints, reports or inquiries. They should be directed to the Iowa High School Music Association's Executive Director or President of the Executive Committee; if both of those persons are implicated in the complaint, report or inquiry, it should be directed to the Vice-President of the Executive Committee. The Iowa High School Music Association will conduct a prompt, discreet, and objective review or investigation. Staff or volunteers must recognize that the Iowa High School Music Association may be unable to fully evaluate a vague or general complaint, report or inquiry that is made anonymously.