

Title 4**REVENUE AND FINANCE****Chapters:**

- 4.05 Revenues and Expenditures – The Budget Process**
- 4.10 Investment Policy**
- 4.15 Significant Accounting Policies**
- 4.20 Non-lapsing Reserve Fund**
- 4.30 Liquidity and Availability**
- 4.40 Operating Reserves**
- 4.50 Conflict of Interest**

Chapter 4.05

REVENUES AND EXPENDITURES – THE BUDGET PROCESS

Sections:

- 4.05.010 Purpose.
- 4.05.020 Scope.
- 4.05.030 Policy.

4.05.010

Purpose

To establish a process by which the annual budget is developed, approved and revised. [November 8, 2008; October 27, 2006; November 22, 2003. Policy A-4].

4.05.020

Scope

General. [November 8, 2008; October 27, 2006; November 22, 2003. Policy A-4].

4.05.030

Policy

A. The budget and planning committee will provide direction for staff to prepare an estimate of revenues and expenditures for an annual budget for the organization. These guidelines, once established, will be reviewed each Fall in conjunction with the review of the following year's budget.

B. At least two weeks prior to the budget meeting, staff will prepare an annual estimate of revenues and expenditures, in accordance with guidelines established by the budget and planning committee. This budget will, wherever possible, be a balanced budget and be accompanied by a summary of significant items that have been added to or removed from the budget to achieve a balance.

C. The budget and planning committee shall review and recommend the annual budget to the board of directors at the mid-year meeting.

D. The budget and planning committee may recommend amendments to the budget estimates prior to submitting it to the board.

E. Once approved by the Board, the annual budget shall govern the financial affairs of the association.

F. The Executive Director shall provide to each Department Manager a delegation of authority for expenditure commensurate with the allocation of expenditure within that staff member's portfolio of activity. The authority for approval of budgeted expenditures is as follows:

Funds from \$0 to \$1,000	Staff member (requires one signature)
Funds from \$1,001 to \$300,000	Executive Director (requires two signatures)
Unbudgeted Funds over \$10,000	Budget and Planning (requires B&P approval)

G. The executive director and staff are charged with monitoring expenditures to ensure that budget estimates of expenditures are not exceeded and that revenues are achieved. Each quarter, the Executive Director submits to the Board of Directors a Balance Sheet and Profit and Loss Statement.

H. In the event of an emergency or unanticipated requirement, the executive director, with the approval of the budget and planning committee, may authorize the reallocation of budgeted expenditures from one account to another to meet the needs of the corporation.

I. The Board reviews the budget at the mid-year and annual board meetings. The executive director will advise the budget and planning committee of any outcome immediately following the Board's budget review.

J. The Executive Director will prepare and submit a report to the Budget and Planning Committee and the Board for any project requiring more than a \$10,000 commitment and is not in the current budget.

K. Revisions to budget estimates, following the annual budget review, shall be presented to the Board at the mid-year board meeting.

L. Revisions to the budget estimates, following the mid-year board meeting, shall be presented to the Budget and Planning Committee and conveyed to the Board of Directors.

[November 2018; November 2016; May 17, 2014; November 8, 2008; October 27, 2006; November 22, 2003. Policy A-4].

Chapter 4.10 INVESTMENT POLICY

Sections:

- 4.10.010 Purpose.
- 4.10.020 Assignment of responsibility.
- 4.10.030 Responsibility of investment manager(s).
- 4.10.040 Allowable assets.
- 4.10.050 Spread of risk.
- 4.10.060 Safekeeping.
- 4.10.070 Related parties.
- 4.10.080 Prohibited assets.
- 4.10.090 Prohibited transactions.
- 4.10.100 Investment policy review.
- 4.10.110 Delegation of authority.

4.10.010

Purpose

- A. This statement of investment policy is set forth to ensure that the current and future obligations of the organization are adequately funded in a cost-effective manner by:
 - 1. Defining and assigning the responsibilities of all involved parties.
 - 2. Establishing a clear understanding for all involved parties of the investment goals and objectives of the organization.
 - 3. Offering guidance and limitations to investment managers regarding the investment of assets.
 - 4. Managing organization assets according to prudent standards, as established in common trust law.
 - 5. Establishing a basis for evaluating investment results.
 - 6. Establish the relevant investment horizon for which the organization's assets will be managed.
- B. The goals of the investment policy shall be:
 - 1. Safety of principal.
 - 2. Liquidity.
 - 3. Yield.
- C. Preservation of capital and the realization of sufficient total return to ensure the ongoing financial integrity of the funds are essential. Preservation of capital encompasses two goals:
 - 1. Managing the risk of loss of principal for the fund.
 - 2. Managing the erosion of principal value through inflation.

[November 8, 2008; October 27, 2006; December 6, 2002. Policy A-1].

4.10.020

Assignment of Responsibility

The board of directors of IIMC is charged with the responsibility for the management of the assets of the organization. The board shall discharge its duties solely in the interest of the organization with the care, skill, prudence and diligence, under the circumstances then prevailing, that a prudent individual acting in a like capacity and familiar with such matters

would use in the conduct of an enterprise of a like character with like aims. The specific responsibilities of the board of directors relating to the investment management of the organization assets include:

- A. Projecting the organization's needs, and the executive director communicating such needs to the board of directors on a timely basis.
- B. Determining the Organization's risk tolerance and investment horizon and communicating these to the appropriate parties.
- C. Establishing reasonable and consistent investment objectives, policies and guidelines, which will direct the investment of the organization's assets.
- D. Prudently and diligently selecting qualified investment professionals, including investment manager(s), investment consultant(s), and custodian(s).
- E. Regularly evaluating the performance of the investment manager(s) to assure adherence to policy guidelines and monitor investment objective progress.
- F. Developing and enacting proper control procedures. (For example: replacing investment manager(s) due to fundamental change in investment management process, or failure to comply with established guidelines.)

[November 8, 2008; October 27, 2006; December 6, 2002. Policy A-1].

4.10.030

Responsibility of Investment Manager(s)

Each investment manager must acknowledge in writing his/her acceptance of responsibility as a fiduciary. Each investment manager will have full discretion to make all investment decisions for the assets placed under his/her jurisdiction, while observing and operating within all policies, guidelines, constraints, and philosophies as outlined in this statement. Specific responsibilities of the investment manager(s) include:

- A. Discretionary investment management including decisions to buy, sell, or hold individual securities, and to alter asset allocation within the guidelines established in this statement.
- B. Reporting, on a timely basis, quarterly investment performance results.
- C. Communicating any major changes to economic outlook, investment strategy, or any other factors, which affect implementation of investment process, or the investment objective progress of the organization's investment management.
- D. Informing the board of directors regarding any qualitative change to investment management organization. (Examples include changes in portfolio management personnel, ownership structure, investment philosophy, etc.)

[November 8, 2008; October 27, 2006; December 6, 2002. Policy A-1].

4.10.040

Allowable Assets

- A. Cash Equivalents.
 - 1. Treasury bills.
 - 2. Money market funds.
 - 3. Commercial paper.
 - 4. Banker's acceptances.

5. Repurchase agreements.
6. Certificates of deposit.
- B. Fixed Income Securities.
 1. U.S. government and agency securities.
 2. Corporate notes and bonds.
 3. Mortgage-backed bonds.
 4. Preferred stock.
 5. Fixed income securities of foreign governments and corporations.
- C. Equity Securities.
 1. Common stocks.
 2. Convertible notes and bonds.
 3. Convertible preferred stocks.
 4. American depository receipts (ADRs of non-U.S. companies).
 5. Stocks of non-U.S. companies (ordinary shares).
- D. Mutual Funds. Mutual funds that invest in securities as allowed in this statement.
- E. Stock Exchanges. To ensure marketability and liquidity, investment managers will execute equity transactions through the following exchanges:
 1. New York Stock Exchange;
 2. American Stock Exchange; and
 3. The NASDAQ.

If an investment manager determines that there is a benefit or a need to execute transactions in exchanges other than those listed in this statement, written approval is required from the board of directors.

[November 8, 2008; October 27, 2006; December 6, 2002. Policy A-1].

4.10.050

Spread of Risk

The investment managers will not invest more than one-third of the total investment portfolio into any one security type or institution. [November 8, 2008; October 27, 2006; December 6, 2002. Policy A-1].

4.10.060

Safekeeping

A third-party custodian, designated by the executive director, as approved by the board of directors, and evidenced by safekeeping certificates, shall hold securities. [November 8, 2008; October 27, 2006; December 6, 2002. Policy A-1].

4.10.070

Related Parties

No investment may be made in institutions in which a member of the board of directors or staff holds a pecuniary interest. [November 8, 2008; October 27, 2006; December 6, 2002. Policy A-1].

4.10.080**Prohibited Assets**

Prohibited investments include but are not limited to the following:

- A. Commodities and futures contracts.
- B. Private placements.
- C. Options.
- D. Limited partnerships.
- E. Venture-capital investments.
- F. Real estate properties.
- G. Golf courses.

H. Any transactions not authorized by this policy. [November 8, 2008; October 27, 2006; December 6, 2002. Policy A-1].

4.10.090**Prohibited Transactions**

Prohibited transactions include, but are not limited to, the following:

- A. Short selling.
- B. Margin transactions. [November 8, 2008; October 27, 2006; December 6, 2002. Policy A-1].

4.10.100**Investment Policy Review.**

To assure continued relevance of the guidelines, objectives, financial status and capital markets expectations as established in this statement of investment policy, the budget and planning committee shall review the investment policy at least annually and report to the board of directors. [November 8, 2008; October 27, 2006; December 6, 2002. Policy A-1].

4.10.110**Delegation of Authority**

The executive director, or his/her delegated representative, has the authority to invest unrestricted net assets in accordance and conformity with the above guidelines.

[November 2018; November 8, 2008; October 27, 2006; December 6, 2002. Policy A-1].

Chapter 4.15 **SIGNIFICANT ACCOUNTING POLICIES**

Sections:

- 4.15.010 Purpose.
- 4.15.020 Basis of accounting.
- 4.15.030 Revenue recognition.
- 4.15.040 Expense allocation.
- 4.15.050 Income taxes.
- 4.15.060 Cash and cash equivalents.
- 4.15.070 Property, plant and equipment.

4.15.010

Purpose.

To provide the framework for the preparation of consistent and meaningful annual financial statements. [October 27, 2006. Policy A-3].

4.15.020

Basis of accounting.

A. Compliance. The annual financial statements will comply with the applicable accounting standards generally accepted in the United States of America, professional pronouncements and the requirements of the Internal Revenue Code and corresponding California provisions.

B. Basis. The annual financial statements will be prepared on the accrual basis of accounting and, except where specifically indicated in the notes to the accounts, in accordance with the historical cost convention. Using this methodology, revenue will be recognized when earned and expenses recognized when incurred.

C. Presentation. The annual financial statements will report information regarding financial position of the organization and its activities in three classes of assets: unrestricted net assets, temporarily restricted net assets and permanently restricted assets. [October 27, 2006. Policy A-3].

4.15.030

Revenue Recognition

The two major sources of revenue are membership dues and annual conference fees. Members are billed on an anniversary cash basis. Income is deferred when cash is received and recognized monthly over the course of the term of their membership with IIMC.

Annual Conference fees are recorded at the beginning of the year of the conference.

[November 2016; May 17, 2014; October 27, 2006. Policy A-3].

4.15.040

Expense Allocation

The costs of providing the various programs and other activities will be summarized on a functional basis in a statement of activities. Accordingly, certain costs will be allocated to the programs and supporting services benefited. [October 27, 2006. Policy A-3].

4.15.050**Income Taxes**

IIMC is exempt from federal income tax and California franchise taxes under Section 501(c)(6) of the Internal Revenue Code and corresponding California provisions. [October 27, 2006. Policy A-3].

4.15.060**Cash and Cash Equivalents**

Cash and cash equivalents will include cash on hand, cash at bank and short-term deposits with original maturities of three months or less. Investment in term deposits and bank bills will be recognized at cost. Interest revenues will be recognized as they accrue. [October 27, 2006. Policy A-3].

4.15.070**Property, Plant and Equipment**

A. Materiality. Assets with an economic life more than one year are only capitalized where the cost of acquisition exceeds materiality thresholds established by the organization for each type of asset. The materiality threshold for property and equipment is \$1,000.

B. Valuation. Property and equipment will be recorded at cost.

C. Depreciation of Noncurrent Assets. Property and equipment will be depreciated using the straight-line method over their useful lives. The estimated useful lives will be 35 to 40 years for buildings, 3 to 10 years for building improvements and 5 to 7 years for furniture, equipment, computer equipment and systems. [May 17, 2014; October 27, 2006. Policy A-3].

4.15.080

IIMC provides Errors and Omissions or Directors and Officers insurance policy that protects individual board members as well as employees, volunteers and the Organization itself in the instance of a civil suit. In terms of D&O insurance, almost all claims against D&O policies are employment-related, including harassment, discrimination, and wrongful termination.

IIMC's annual budget must include insurance for Directors and Officers (November 7, 2009)

Chapter 4.20
NON-LAPSING RESERVE FUND

Sections:

- 4.20.010 Purpose.
- 4.20.020 Policy.

4.20.010

Purpose.

To provide sufficient working capital to address emergencies, withstand local and regional economic shocks and unexpected declines in revenue without borrowing. The fund balance measures the net financial resources available to finance expenditures of future periods. Rating agencies examine fund balance when considering the overall economic health of the IIMC and the credit quality of the IIMC. [May 21, 2007. Policy A-5].

4.20.020

Policy.

A. The non-lapsing reserve fund is not to be used to support recurring operating expenditures outside of the current budget year. Use of the non-lapsing reserve fund shall be done only to cover emergencies and unexpected declines in revenue. If the non-lapsing reserve fund is used, IIMC shall increase its fund revenues or decrease its expenditures to prevent using the non-lapsing reserve fund in two consecutive fiscal years to subsidize fund operations.

B. The non-lapsing reserve fund can only be appropriated by a resolution of the IIMC Board of Directors.

C. The non-lapsing reserve fund shall not be less than five percent of the year's fund revenues in every fiscal year. The board is to review the possibility of raising the reserve percentage from five percent to not less than eight percent.

D. In the event the non-lapsing reserve fund is used to provide for temporary funding of unforeseen emergency needs, IIMC shall restore the non-lapsing reserve fund to the minimum level of five percent of fund revenues within two fiscal years following the fiscal year in which the event occurred.

E. Funds more than five percent of the annual requirements of subsection (C) of this section may be retained in the non-lapsing reserve fund or may be considered to supplement "pay as you go" capital outlay expenditures, or to prepay existing IIMC debt. [November 2016. May 21, 2007. Policy A-5].

Chapter 4.30 **LIQUIDITY AND AVAILABILITY**

Sections:

- 4.30.010 Purpose
- 4.30.020 Scope
- 4.30.030 Policy

4.30.010

Purpose.

To provide sufficient funds to 90 days of general expenses.

4.30.020

Scope.

IIMC Board of Directors

4.30.030

Policy

IIMC strives to maintain liquid financial assets sufficient to cover 90 days of general expenditures. Financial assets more than daily cash requirements are invested in certificates of deposit, money market funds and other short-term investments.

Board Approved -- May 18, 2019

Chapter 4.40 OPERATING RESERVES

Sections:

- 4.40.010 Purpose
- 4.40.020 Scope
- 4.40.030 Policy

4.40.010

Purpose

To maintain an operating reserve to better manage daily cash flow.

4.40.020

Scope

IIMC Board of Directors

4.40.030

Policy

An operating reserve can be a valuable tool to help IIMC respond to temporary changes in circumstances or in its environment. By building and maintaining an operating reserve, IIMC can better manage its daily cash flow.

An operating reserve is an accumulation of unrestricted resources, often resulting from surpluses, which are available for use at the discretion of the IIMC Board of Directors. For the operating reserve to function effectively, IIMC's Board's policy addresses each of the following items:

- The purpose of building and maintaining the reserves,
- A calculation of the target amount,
- The intended use of the reserves,
- Who will have the authority over the use of the reserves,
- How the reserve account will be monitored, and
- A plan for replenishing the reserve balance.

Operating Reserve Purposes

The purpose of IIMC's Operating Reserve Policy is to build and maintain an adequate level of unrestricted net assets to support the Organization's daily operations in the event of unforeseen shortfalls. The reserve may also be used for one-time, nonrecurring expenses that will build long-term capacity, such as research and development or investment in infrastructure. Operating reserves are not intended to replace a permanent loss of funds or eliminate an ongoing budget gap. IIMC intends for the operating reserves to be used and replenished within a reasonable time. This Operating Reserve Policy will be implemented in conjunction with the other financial policies of the Organization and is intended to support the goals and strategies contained in those related policies and in strategic and operational plans.

Definitions and Goals

The Operating Reserve Fund is defined as the designated fund set aside by the IIMC Board of Directors. The minimum amount to be designated as operating reserve will be established in an amount sufficient to maintain ongoing operations and programs for a set time and measured in months. The operating reserve serves a dynamic role and will be reviewed and adjusted in response to internal and external changes.

The target minimum Operating Reserve Fund is equal to six (6) months of average recurring operating costs.

In addition to calculating the actual operating reserve at the fiscal year-end, the operating reserve fund target minimum will be calculated each year after approval of the annual budget. These reserves will be reported to the Budget and Planning Committee and Board of Directors and included in the regular financial reports.

Accounting for Reserves

The Operating Reserve Fund will be recorded in the accounting system and financial statements as IIMC Board Designated Operating Reserve. The Operating Reserve Fund will be funded and available in cash or cash equivalents. Operating reserves will be maintained in segregated bank accounts or investment funds, in accordance with investment policies.

Funding of Reserves

The Operating Reserve Fund 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.

The Executive Director and/or Chief Financial Officer will identify the need for access to reserve funds and confirm that the use is consistent with the purpose of the reserves as described in this Operating Reserve Policy. Determination of need requires analysis of the sufficiency of the current level of reserve funds, the availability of any other sources of funds before using reserves, and evaluation of the period for which the funds will be required and replenished.

Shortfalls

If the Operating Reserve Fund is and has been less than 80% of the target reserve minimum for two consecutive years, the Board of Directors will adopt an operating budget with a projected surplus sufficient to rebuild the Reserve Fund to its targeted reserve level over a prescribed number of years.

Authority to Use Operating Reserves

The Executive Director will submit a request to use operating reserves to IIMC's Budget and Planning Committee. The request will include the analysis and determination of the use of funds and plans for replenishment. IIMC's goal is to replenish the funds used within twelve (12) months to restore the Operating Reserve Fund to the target minimum amount. If the use of operating reserves will take longer than twelve (12) months to replenish, the request will be

scrutinized more carefully. The Budget committee will approve or modify the request and recommend to the Board to authorize transfer from the Operating Reserve Fund

Reporting and Monitoring

The Executive Director and/or Chief Financial Officer is responsible for ensuring that the Operating Reserve Fund is maintained and used only as described in this Policy. Upon approval of the use of operating reserve funds, the Executive Director will maintain records of the use of funds and plan for replenishment. The Executive Director will provide regular quarterly progress reports to the Budget Committee and Board of Directors on restoring the fund to the target minimum amount.

The Executive Director and/or Chief Financial Officer will annually discuss what additional risk factors might be considered for the Organization and the impact of budgeting on operating reserve levels.

Relationship to Other Policies

The Executive Director and/or Chief Financial Officer maintains the following Board-approved policies, which may contain provisions that affect the creation, sufficiency and management of the Operating Reserve Fund:

- Investment Policy, including risk tolerance
- Policies related to Operating and Capital Budgeting

Review of Policy

The Budget Committee reviews this Policy annually, at minimum, or sooner if warranted by internal or external events or changes. The Budget Committee will recommend policy changes to the Board of Directors.

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Chapter 4.50 **CONFLICT OF INTEREST**

Sections:

- 4.50.010 Purpose
- 4.50.020 Scope
- 4.50.030 Policy

4.50.010**Purpose**

To protect IIMC's nonprofit status regarding transactions or arrangements involving an IIMC Officer or Director.

4.50.020**Scope -- IIMC Board of Directors****4.50.030****Policy**

The Policy's purpose is to protect IIMC's nonprofit status when it is contemplating a transaction or arrangement that might benefit the private interest of an IIMC Officer or Director or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit organizations.

Definitions**Interested Person**

Any Director, Officer, or member of a committee with Board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investments, or family:

An ownership or investment interest in any entity with which IIMC has a transaction or arrangement;

A compensation arrangement with IIMC or with any entity or individual with which IIMC has a transaction or arrangement; or

A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which IIMC is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration, gifts or favors valued over \$100.

A financial interest is not necessarily a conflict of interest. Under Procedures, Section 2, a person who has a financial interest may have a conflict of interest only if the Board or committee decides that a conflict of interest exists.

Procedures

Duty to Disclose

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

Determining Whether a Conflict of Interest Exists

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

Procedures for Addressing the Conflict of Interest

- A. An interested person may make a presentation to the Board or committee, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
- B. The IIMC President or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- C. After exercising due diligence, the Board or committee shall determine whether the Organization can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- D. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in IIMC's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter the transaction or arrangement.

Violations of the Conflicts of Interest Policy

- A. If the Board has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- B. If, after hearing the member's response and after further investigation as warranted by the circumstances, the Board or committee determines whether the member has failed to disclose an actual or possible conflict of interest, it then shall take appropriate disciplinary and corrective action.

Records of Proceedings

The minutes of the Board and all committees with Board delegated powers shall contain:

- A. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Board's or committee's decision as to whether a conflict of interest in fact existed.
- B. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Compensation

- A. Any Board member who receives compensation, directly or indirectly, from IIMC for services is precluded from voting on matters pertaining to that member's compensation.
- B. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from IIMC for services is precluded from voting on matters pertaining to that member's compensation.
- C. No Board or committee member whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from IIMC, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Annual Statements

Each Director, Officer and committee member with Board delegated powers shall annually sign a statement which affirms such person:

- A. Has received a copy of IIMC's conflict of interest policy,
- B. Has read and understands the policy,
- C. Has agreed to comply with the policy, and
- D. Understands IIMC is a nonprofit 501C (6) and to maintain its federal tax exemption, it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Periodic Reviews

To ensure IIMC operates in a manner consistent with its 501C (6) status and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews will be conducted. The periodic reviews will, at a minimum, include the following subjects:

- A. Whether compensation arrangements and benefits are reasonable, based on competent survey information and the result of arm's length bargaining.

- B. Whether partnerships, joint ventures, and arrangements with management organizations conform to IIMC's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

Use of Outside Experts

When conducting the Periodic Reviews, IIMC may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of its responsibility for ensuring periodic reviews.

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