

## **POLICIES AND PROCEDURES**

### **GSRA LEGAL FUND**

The Policy and Operational Committee, hereinafter referred to as the P&O Committee is designated by the GSRA Board to develop policies and procedures for the operations of the Legal Fund that has been approved by the GSRA Board. The policies and procedures shall be in compliance with the Legal Fund Creation on October 12, 2017 or as subsequently amended

1. The Legal Fund monies shall be segregated from other funds of GSRA. The funds may be recorded in a separate bank account or accounted for as a separate account within the combined bank account, as determined by the GSRA Treasurer and reported to the P&O Committee. Donations to the fund shall be received, deposited and accounted for separately and in accordance with accepted practices and in accordance with the previous sentence. The Treasurer of the Association shall insure that the funds remain segregated at all times.
2. At no time shall any of the Legal Funds be used for day to day operations or capital purchases of the Association, loaned to the association or its officers, or used for any other purpose not enumerated under the “**Authorized Uses of the Fund**” section below.
3. The Treasurer shall prepare a monthly report showing the income and expenses of the fund and shall present the monthly report to the Board and the P&O Committee at each monthly meeting. This monthly report on the status of the Fund shall be included in the minutes of the Association’s joint Board and P&O Committee monthly meeting.
4. The Treasurer shall prepare and present an annual report to the membership at each Annual Meeting of the Association. The report to the membership shall be included in the official minutes of the annual meeting, and shall, at a minimum, indicate income and expenses and the purposes for which any expenditures were made during the preceding year.

#### **Actions upon Receipt of Donations**

The P&O Committee shall prepare and make available a “Donation” form for use in submitting donations to the Legal Fund. The donation form shall be available on the GSRA website as well as in printed format to facilitate donations. The “Donation” form shall clearly state that the donation is not tax deductible and that the donation is non-refundable. When donations are received, the association shall have procedures in place to ensure that the donation is promptly deposited to the bank account and recorded in the separate GSRA Legal Fund account, that the donor is issued a receipt and a letter of thanks electronically or by US Postal Service. The completed “Donation” form is permanently retained electronically or in paper with the official records of the association until it is determined that IRS regulations and state and other federal regulations no longer require retention of the forms.

#### **Authorized Uses of the Fund**

The Legal Fund shall be used only to undertake immediate action to protect the benefits or any allied benefits affecting a broad spectrum of GSRA members. Any property rights that have accrued to members due to their status as retirees of state government or school systems may also be included as an authorized use.

Expenditures should be allowed only for issues that transcend individual issues – i.e., allowed for those issues affecting more than one GSRA member. Expenditures for legal advisors shall be used only to

retain an attorney who is skilled in public employee benefit issues under Georgia or multistate law. All expenditures are subject to approval of the P&O Committee – to ensure that this limited-asset account will be prudently used. The authorized uses of the Fund can be amended by recommendation of the P&O Committee and by a majority vote of the Board. If the Board amends the authorized uses, such action shall be reported to the membership at the next annual meeting, and the President shall report the changed uses to membership at that the next annual meeting.

#### **Proposals to Association for Use of the Fund**

Any member or group of members of the association in good standing may propose a use of the “Legal Fund” in compliance with these Policies and Procedures. Any proposal shall be submitted in such detail for understanding and considering the proposal. The President may appoint a subcommittee of the P&O Committee to evaluate the proposal

#### **Evaluating and Authorizing Proposed Uses of the Fund**

The sub-committee appointed to evaluate the proposal shall take all necessary steps to adequately determine legal issues involved, entities involved, and provide the President with an evaluation to proceed, seek legal advisors or to terminate further action. The President shall present the request, evaluation, and recommendation to the Board of at least a majority of the 14-member GSRA Board for action. Upon approval to use the “Legal Fund”, the President shall appoint an oversight committee of not less than five (5) P&O Committee members to oversee the actions taken by the oversight committee and the use of experts. The Chair of the oversight committee and Treasurer shall report to the Board at monthly meetings. Such reports may be in closed session if appropriate and advisable.

#### **Limitation on Contributions to the Fund**

If the Board determines that sufficient funds have been contributed to handle any foreseeable need, the Board may limit future contributions to the “Legal Fund”. The P&O Committee shall take actions to terminate or suspend receipt of donations and recommend actions to be taken by the Board. Association records shall reflect the date and location of the meeting at which such decision is made. Subsequent to such action, the Board can re-authorize contributions to the Fund at its discretion.