CENTER FOR NONPROFIT EXCELLENCE
LINE OF CREDIT POLICY
Adopted 3.21.18

Philosophy
All funds of Center for Nonprofit Excellence (CNE), including the legally unrestricted funds, are
held by it as a fiduciary. The organization, governed by its Board of Directors (Board), acts as
steward of the funds for the sake of carrying out the mission and purposes of CNE. The
following objectives and directives are to be judged and understood in light of that overall
sense of stewardship.

The Board designates daily oversight authority over its financial affairs to the Board Finance
Committee (Committee), but still maintains full fiduciary responsibility for the finances of the
organization.

Statement of Purpose
CNE will maintain a line of credit to sustain financial operations in the event of a time lag
between funds expected and funds received. The general purpose of the line of credit is to
help balance cash flow ups and downs each year to ensure financial stability, thereby
preserving the capacity of CNE to deliver on its mission.

Line of Credit Policy
Request
Any time an advance is requested, the Executive Director shall outline, in writing, the reason
for the advance and the expected repayment plan. Advances on the line of credit and its
expected repayment shall be short term in nature, less than 12 months.

Approval
All advance requests shall be approved in writing by the Treasurer and the Board Chair or
another member of the Executive Committee. Advance requests without a specific source of
repayment will not be approved.

Monitoring
The Finance Committee will monitor the repayment of the line of credit to ensure that it is
repaid within the time frame specified at the time of the advance request.

Notification
The Finance Committee shall report on any line of credit activity as part of its regular
committee reports to the Board.
Documentation
An email exchange accomplishing the notice and approval process outlined above shall be sufficient documentation, provided the documentation is saved pursuant to the Document Retention Policy.