

SCHOOL ADMINISTRATORS OF MONTANA

Policy Manual



Revision History

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SAM Core Purpose

SAM ... Visionary leaders united in providing, advocating, and creating education excellence for Montana students!

Board of Directors

1. Composition of the Board of Directors. The SAM Board of Directors shall have between seven (7) and twenty (20) directors. The Board shall consist of the President, President-Elect, and Immediate Past President of the SAM Board of Directors and representatives from each affiliate member. Each affiliate is entitled to at least one (1) Director on the Board of Directors. Affiliates may be allowed more than one Director in proportion to their size, although the number of Directors on the Board may not exceed twenty (20). An affiliate wishing to increase or decrease the number of Directors it is allowed may petition the Board of Directors at the fall Board of Directors meeting. Each Director shall have one (1) vote.
2. Officers of the Board of Directors. The officers of the Board of Directors shall be the President, President-Elect, and Immediate Past President of SAM. The President and Immediate Past President will not count as one of the affiliates' Directors on the Board.
3. Officer Eligibility. The officers shall serve a term of one year and shall be elected annually by the Board of Directors. If no candidate receives a majority vote for an office, the two candidates receiving the most votes shall be subject to a run-off vote of the SAM Board of Directors.
4. President. The President must have been a member of the Board of Directors for two (2) years prior to standing for election. The President of the SAM Board of Directors may not serve as a President of an affiliate at the same time he or she is the President of the SAM Board of Directors.
5. President-Elect. Eligible candidates for President-Elect must have been members of the Board of Directors for one (1) year prior to standing for election, must not serve as Presidents of their respective affiliates, and must not be members of the affiliate of the current President or President-Elect. Ballots listing Directors who are eligible to serve as President-Elect and who have expressed an interest in doing so will be distributed to affiliates before the June Board meeting. They must be returned to the SAM office and will be counted after the June meeting. The

President-Elect shall assume the position of President at the fall SAM Board of Directors meeting. In the event the President-Elect is unable to assume the duties of President at the fall meeting, the SAM Board of Directors will elect a new President. Depending on the time of year when the President-Elect becomes unable to serve as President, the SAM Board of Directors may decide by majority vote to elect a new President-Elect.

6. Executive Director. The Executive Director shall be selected by a majority vote of the Board of Directors and shall serve without voting privileges at the will of the Board of Directors. The Executive Director shall perform the duties set forth in his or her job description and carry out other directives of the President and the SAM Board of Directors as assigned. The Board of Directors shall evaluate the performance of the Executive Director and make decisions regarding hiring, retention, compensation, duties, and discipline for that position.
7. Executive Board. The Executive Board shall consist of the officers of the SAM Board of Directors and the Presidents of the affiliate members who are also Directors. The Executive Board shall have the power to act on official SAM business that needs immediate attention and falls between regularly scheduled SAM Board of Directors meetings.

Board of Directors Meetings

1. There shall be at least four (4) regular meetings of the SAM Board of Directors during each calendar year.
2. The Board of Directors shall arrange for at least one meeting each year of the general membership of the association during the Montana Conference of Education Leaders.
3. Special meetings of the Board of Directors may be called by the President or upon written request of the majority of the SAM Board of Directors.
4. A quorum for all meetings of the Board of Directors shall consist of a majority of the Board of Directors.
5. The President shall call Executive Board meetings approximately two weeks prior to the Board of Directors meeting to discuss the upcoming meeting and agenda.
6. Special meetings of the Executive Board may be called by the President or upon written request of the majority of the affiliate Presidents serving on the Board of Directors.
7. The President may call a meeting of the SAM Board of Directors or Executive Board and use electronic means (i.e. conference call, etc.) to conduct the business at hand.
8. Roberts Rules of Order, revised, shall be the authority on all questions of procedure not specifically stated in the Articles of Incorporation or Bylaws.

SCHOOL ADMINISTRATORS OF MONTANA
JOB DESCRIPTION
(Revised 1997)

PRESIDENT

The President shall have been a member of the Board of Directors for two (2) years. The President will assume this position after serving as the President-Elect, elected by the Board of Directors from eligible candidates. The President may not serve as President of an affiliate at the same time he/she is President of SAM.

Duties, Responsibilities, and Other Pertinent Information

- Serve a one (1) year term from June to June.
- Be able to be released from the District from which he/she is employed to attend required meetings and discharge responsibilities.
- Be responsible to the Board of Directors in carrying out the duties of the office of President.
- Be actively committed to promoting the goals of SAM.
- Prepare in advance an agenda for each Board of Directors and Executive Board meeting with the assistance of the Board members and Executive Director, and cause same to be published two weeks prior to the meeting.
- Conduct Board of Directors and Executive Board meetings and general membership meetings utilizing Robert's Rules of Order to insure that parliamentary procedure is followed.
- Represent SAM, when appropriate.
- Conduct, direct, and coordinate the organization of legislative lobbying in conjunction with the Executive Director.
- Mail copies of the Executive Director's evaluation form to all members of the Board of Directors. Collect and compile results of the evaluation forms and share these results with the Board of Directors. Review with the Executive Director the results of the evaluation. This process is to be completed by the April meeting of the Board of Directors.
- Insure that committee chairpersons are given a complete orientation to their roles and responsibilities and that two-way communication is maintained between the committee and the Board of Directors.
- Appoint committees as needed to carry out the effective functioning of the organization.
- Empower affiliate presidents to appoint committee members to various committees to insure that each affiliate is represented.
- Be a regular contributor to the *SAM Bulletin* and other educational publications.
- Communicate with Board members to insure the informed, efficient operation of the Board of Directors.
- Facilitate communication between Board members, the affiliates, and Montana citizens.
- Assist in the organization of conferences and attend the MCEL and affiliate conventions, whenever possible.
- Promote and encourage professional growth through SAM membership.
- Chair the SAM Budget Committee and assist the Executive Director in formulating the budget for the next budget year.
- Assist the President-Elect in the transition to President.
- Work in cooperation with the affiliate Presidents by encouraging them and stimulating cooperation of the affiliates on common educational and child related goals.

- Promote communication, unity, and collaboration with other professional groups to improve education and enhance the welfare of children.
- Perform other duties as may be assigned by the Board of Directors.

Expenses/Reimbursements/Benefits

- Be reimbursed for attendance at SAM Executive Board and Board of Directors meetings, if individual districts cannot/will not reimburse. A detailed listing of the allowable and reimbursable expenses is an addendum to this document. (Addendum A)
- Be covered by a Directors & Officers and Travel Policies while on official business.

**SCHOOL ADMINISTRATORS OF MONTANA
JOB DESCRIPTION**

PRESIDENT-ELECT

The President-Elect shall have been a member of the Board of Directors for at least one year and be elected by the Board of Directors from the eligible Board members.

Duties, Responsibilities, and Other Pertinent Information

- Serve a one (1) year term from June to June.
- Be willing to assume the responsibilities of President-Elect, President, and Past-President.
- Be able to be released from the District from which he/she is employed to attend all necessary meetings.
- Be responsible to the Board of Directors in carrying out the duties of the office of President-Elect.
- Be actively committed to promoting the goals of SAM.
- Attend the MCEL Convention and other affiliate functions, when possible.
- Conduct legislative lobbying, whenever possible.
- Conduct Executive Board and Board of Directors meetings when President is absent or when deemed appropriate by the President.
- Be a regular contributor to the *SAM Bulletin* and other educational publications.
- Represent SAM when deemed appropriate by the President or Board of Directors.
- Serve on the SAM Budget Committee as it formulates the budget for the next budget year.
- Promote and encourage professional growth through SAM membership.
- Work in cooperation with the affiliate Presidents by encouraging them and stimulating cooperation of the affiliates on common educational and child related goals.
- Promote communication, unity, and collaboration with other professional groups to improve education and enhance the welfare of children.
- Perform other duties as may be assigned by the President or the Board of Directors.

Expenses/Reimbursements/Benefits

- Be reimbursed for attendance at SAM Executive Board and Board of Directors meetings, if individual districts or their SAM affiliate cannot/will not reimburse. A detailed listing of the allowable and reimbursable expenses is an addendum to this document. (Addendum A)
- Be covered by a Directors & Officers and Travel Policies while on official business.

**SCHOOL ADMINISTRATORS OF MONTANA
JOB DESCRIPTION**

PAST PRESIDENT

The Past President will assume this position after serving as SAM President.

Duties, Responsibilities, and Other Pertinent Information

- Serve a one (1) year term from June to June.
- Be able to be released from the District from which he/she is employed to attend all necessary meetings.
- Be responsible to the Board of Directors in carrying out the duties of the office of Past-President.
- Be actively committed to promoting the goals of SAM.
- Attend the MCEL Convention and other affiliate functions, when possible.
- Represent SAM when deemed appropriate by the SAM President or the Board of Directors.
- Conduct legislative lobbying, when possible.
- Be a regular contributor to the *SAM Bulletin* and other educational publications.
- Serve on the SAM Budget Committee as it formulates the budget for the next budget year.
- Promote and encourage professional growth through SAM membership.
- Assist the President in the execution of his/her office.
- Be responsible for SAM policy and constitution updates.
- Advise the President and President-Elect.
- Promote communication, unity, and collaboration with other professional groups to improve education and enhance the welfare of children.
- Work in cooperation with the affiliate Presidents by encouraging them and stimulating cooperation of the affiliates on common educational and child related goals.
- Perform other duties as may be assigned by the President or the Board of Directors.

Expenses/Reimbursements/Benefits

- Be reimbursed for attendance at SAM Executive Board and Board of Directors meetings, if individual districts cannot/will not reimburse. A detailed listing of the allowable and reimbursable expenses is an addendum to this document. (Addendum A)
- Be covered by a Directors & Officers and Travel Policies while on official business.

**SCHOOL ADMINISTRATORS OF MONTANA
JOB DESCRIPTION**

BOARD OF DIRECTORS

The SAM Board of Directors shall consist of the President and Immediate Past President of SAM and representatives from each affiliate.

Duties, Responsibilities, and Other Pertinent Information

- Serve a one (1) year term from June to June.
- Be able to be released from the District from which he/she is employed to attend necessary meetings.
- Attend Executive Board meetings if an affiliate President.
- Be responsible to the Board of Directors in carrying out their duties and responsibilities.
- Be actively committed to promoting the goals of SAM.
- Represent SAM when deemed necessary by the President and/or the SAM Board of Directors.
- Ensure that effective two-way communications takes place between the affiliate that they represent and the SAM Board of Directors.
- Conduct legislative lobbying as needed.
- Complete the Executive Director's evaluation form and return to the SAM President by the designated date. Review the compilation of the results at the April meeting of the Board of Directors.
- Be a regular contributor to the *SAM Bulletin* and other educational publications.
- Attend the MCEL convention, when possible.
- Promote and encourage professional growth through SAM membership.
- Promote communication, unity, and collaboration with other professional groups to improve education and enhance the welfare of children.
- Work in cooperation with the affiliate Presidents by encouraging them and stimulating cooperation of the affiliates on common educational and child related goals.
- Perform other duties as may be assigned by the President or the Board of Directors.

Expenses/Reimbursements/Benefits

- Be reimbursed for attendance at SAM Executive Board and Board of Directors meetings by their individual districts, their SAM affiliate, or by the individual.
- Be covered by a Directors & Officers and Travel Policies while on official business.

SCHOOL ADMINISTRATORS OF MONTANA JOB DESCRIPTION

EXECUTIVE DIRECTOR

The Executive Director shall be selected by the Board of Directors and shall serve without voting privileges.

Duties, Responsibilities, and Other Pertinent Information

- Perform all duties and activities as assigned.
- Be responsible to the Board of Directors.
- Be actively committed to promoting the goals of SAM.
- Aid affiliate members in their business and operational tasks of running their organization.
- Encourage professional activity, growth, and study among all school administrators in Montana.
- Represent the interest of public education in Montana and promote the welfare of SAM members.
- Act as the SAM lobbyist at the legislature and attend necessary legislative committee meetings.
- Attend all State Board of Public Education meetings and testify in the best interest of SAM.
- Establish and maintain meaningful contacts with other professional, governmental and lay groups concerned with education in Montana.
- Maintain the SAM office, monitor fiscal expenditures within the approved budget, and keep records, files, and accounts of SAM activities.
- Have published and disseminate monthly the *SAM Bulletin*.
- Prepare in advance an agenda for each Executive Board and Board of Directors meeting with the assistance of the Board members and President, and cause same to be published two weeks prior to the meeting.
- Attend all Executive Board and Board of Directors meetings as an ex-officio non-voting member and be responsible for said minutes. Proceedings shall be communicated to the members through the *SAM Bulletin*.
- Attend all affiliate state conventions and their Executive Board meetings.
- Coordinate activities associated with the annual MCEL convention.
- Coordinate all local arrangements and financial arrangements for SAM and affiliate workshops and conferences.
- Disseminate news releases to the media at the time of SAM and affiliate workshops and conferences and provide positive public relations in a timely manner on behalf of members, school districts, and public education.
- Promote SAM membership and assist affiliates with their membership drives.
- Publish and disseminate affiliate newsletters as requested by the affiliate.
- Publish annually an Administrative Directory.
- Seek adequate financial and other support for the public educational programs for the school children of Montana.
- Prepare the annual budget for consideration by the Budget Committee and the Board of Directors.
- Be responsible for hiring, directing, evaluating, and recommending employment or dismissal of staff personnel of the Association to the Board of Directors according to personnel policies from the *Employee Handbook*.
- Make recommendations to the Board of Directors regarding positions or actions appropriate to new situations and/or issues arising or unforeseen.

- Maintain liaison with the national counterparts of the affiliate organizations including membership processing.
- Maintain and publish Position Statements and Resolutions of SAM to be a guide for Executive Director, Board of Directors, and Committee action.
- Notify the Board of Directors, affiliate officers, and/or membership of legislation, proposals, or concerns that may affect them when there is no SAM position or where there is a conflicting position among the affiliates.
- Provide regular communication/correspondence at least once a month to enable Board members to be apprised of developments that may affect the functioning of the organization.
- Execute other duties as directed by the SAM Board of Directors.

Expenses/Reimbursements/Benefits

- Have expenses paid when on official business and/or attending SAM Executive Board and Board of Directors meetings. A detailed listing of the allowable and reimbursable expenses is an addendum to this document. (Addendum A)
- Be employed by written contract with salary, benefits, and other necessary provisions determined by the Board of Directors while following the provisions of the *Employee Handbook*.

**SCHOOL ADMINISTRATORS OF MONTANA
JOB DESCRIPTION**

DIRECTOR OF MEMBER SERVICES AND PROFESSIONAL LEARNING

(Created 2019, Approved by the SAM Board, June 13, 2019)

The Director of Member Services and Professional Learning shall be selected by the Executive Director with approval of the Board of Directors. This position is responsible for providing member services and professional learning development for SAM representing the Executive Director.

Qualities and Qualifications

- Interpersonal human relationship skills that inspire the confidence, respect and trust of all with whom the Director interacts
- Skills required to maintain an effective working relationship with leaders inside and outside the Association and work in a positive manner with all members of the educational family
- Ability to project a professional image of the energy and vitality necessary to represent, promote and support the unique needs of SAM and its affiliate members
- Excellent oral and written communication skills with an ability to listen and respond
- A high work ethic and recognizes, respects and utilizes the individual talents of others
- Successful professional learning development experience
- Technology literacy as it relates to organizational management and services, web and cloud based strategies
- An understanding of legislative and political processes
- Successful management skills including --
 - Good organizational skills
 - Good human relations skills
 - Strong ability to concurrently manage fine details
 - Ability to handle work in a confidential manner
 - A self-starter
 - Possess initiative and the ability to independently schedule his/her workload
 - Ability to make responsible decisions
 - Willingness to travel as needed for Association business
 - Good telephone skills
 - Be cooperative in order to accomplish job responsibilities
 - Ability to turn out quality documents that have been proofed
- College degree with coursework in education preferred

Key Responsibilities, Duties, and Other Pertinent Information

Member Services

- Communications
- Website and online services (e.g. Conference App)
- MemberClicks/Database tools for member productivity
- Affiliate board meetings
- SAM and Affiliate Awards/Years of Service Pins
- SAM and Affiliate Elections and Appointment of Officers
- Member organization for participating in state and national conferences

- SAM research and reports that bring value to the association and the education community.
- Management of grants and private, state and federal programs to support member services.

Professional Learning

- SAM LPLP
- Conference and meeting planning
- Training plans across SAM and Affiliates

Other

- Execute other duties as directed by the Executive Director and/or the SAM Board of Directors

Expenses/Reimbursements/Benefits

- Be employed by written contract with salary, benefits, and other provisions determined by the Board of Directors while following the provisions of the *Employee Handbook*.
- Be reimbursed for allowable expenses.

**SCHOOL ADMINISTRATORS OF MONTANA
JOB DESCRIPTION**

DIRECTOR OF OPERATIONS – FINANCE, MEMBERSHIP, CONFERENCES

(Created 2019, Approved by the SAM Board, June 13, 2019)

The Director Operations – Finance, Membership, Conferences shall be selected by the Executive Director with approval of the Board of Directors. This position is responsible for providing finance, membership and conference development support for SAM representing the Executive Director.

Qualities and Qualifications

- Interpersonal human relationship skills that inspire the confidence, respect and trust of all with whom the Director of Operations interacts
- Skills required to maintain an effective working relationship with leaders inside and outside the Association and work in a positive manner with all members of the educational family
- Ability to project a professional image of the energy and vitality necessary to represent, promote and support the unique needs of SAM and its affiliate members
- Excellent oral and written communication skills with an ability to listen and respond
- A high work ethic and recognizes, respects and utilizes the individual talents of others
- Successful fiscal management experience
- Technology literacy as it relates to organizational management and services, web and cloud based strategies
- An understanding of legislative and political processes
- Successful management skills including –
 - Good organizational skills
 - Good human relations skills
 - Strong ability to concurrently manage fine details
 - Ability to handle work in a confidential manner
 - A self-starter
 - Possess initiative and the ability to independently schedule his/her workload
 - Ability to make responsible decisions
 - Willingness to travel as needed for Association business
 - Good telephone skills
 - Be cooperative in order to accomplish job responsibilities
 - Ability to turn out quality documents that have been proofed
- College degree with coursework in business preferred

Key Responsibilities, Duties, and Other Pertinent Information

Finances of SAM and Affiliates

- Revenue development
- Budget development
- SAM Business partnerships
- Management of Investments
- Fiscal oversight of grants and private, state and federal programs

Membership

- Membership drive
- Accounting for state and national affiliate membership (e.g. transmittals to national organizations - AASA, NASSP, NAESP, CoSN, CASE)
- Membership reporting

Conference development

- Collaborate with SAM and Affiliate leadership in developing conference theme, goals, and agenda to meet the needs of members.
- Develop site contracts, speaker engagement agreements, site management, exhibitor management, member services related to conferences

Other

- Execute other duties as directed by the Executive Director and/or the SAM Board of Directors

Expenses/Reimbursements/Benefits

- Be employed by written contract with salary, benefits, and other provisions determined by the Board of Directors while following the provisions of the *Employee Handbook*.
- Be reimbursed for allowable expenses.

General Committees

General Committee Guidelines

Committee work is an ongoing process with each committee member following his/her committee assignment. The committee member shall keep current of developments in his/her area and keep the SAM membership informed of the developments by timely committee reports in the *SAM Bulletin* and reports to the Board of Directors and the Executive Director. At committee meetings, committee members should represent the feeling of their respective affiliates while also considering the mission and philosophies of the umbrella organization. The SAM organization rests upon the shoulders of each committee and the effectiveness of these committees will determine the success of the organization. It is imperative that individual committee members be committed to the mission of SAM and willing to work hard to insure committee effectiveness and communication.

1. There will be as many standing and adhoc committees for the School Administrators of Montana as are necessary to carry out association operations.
2. Committee members will fairly represent each affiliate. Affiliate presidents will insure that appointed members are willing to serve on the committee and are given a copy of committee guidelines and the necessary orientation to insure effectiveness.
3. Committee terms and goals will be determined upon the appointment of the committee by the SAM President.
4. Recommendations for committee appointments will be made by the respective presidents of each affiliate.
5. Committee members should be willing to write letters and/or testify on issues relevant to the committee and the SAM membership.
6. Each committee member should attend their affiliate state convention and the SAM Convention to meet and gather input concerning the area of committee assignment.
7. Committee members will urge other members of the organization to be active in the organization and volunteer for committee work.
8. Each committee will evaluate its annual progress in accomplishing its goals and file a written report to the SAM President and Executive Director prior to the annual SAM Convention. The committee's progress will also be disseminated to the general membership through timely communication in the *SAM Bulletin*.
9. The Committee chair will:
 - Chair their committee meeting at the MCEL Conference and other committee meetings throughout the year.
 - Keep the members of their committee informed about state and national issues that may impact their committee.
 - Arrange for meeting sites and plan the agenda using input garnered at the organizational meeting of the Committee.

- Make initial contacts with all resource groups.
 - Insure two-way communication between their committee and the SAM Board of Directors.
 - Provide information for the *SAM Bulletin* on a regular basis.
 - Report to the Board of Directors, the Executive Director, and the SAM membership at the MCEL convention and at other times during the year as the need arises.
 - Be willing to lobby the Legislature as needed to further the cause of the committee or the SAM organization.
10. SAM committee members are responsible for understanding and promoting all developments and changes in the SAM position on the respective issues.

Appointees to the Montana Unified School Trust (MUST) Board

Appointees:

Section 1. Composition of the Montana Unified School Trust (MUST) Board. The Trust and Fund shall be administered by at least nine (9) Trustees, three (3) of which shall be an Executive Officer of the respective associations: the MFPE, MTSBA and SAM. The remaining six (6) Trustees shall be appointed in equal numbers by the MFPE, MTSBA and SAM. Of the remaining six (6) Trustees, each association shall appoint two (2) Trustees. Each Trustee shall be appointed for a term of three (3) years and may be reappointed by their respective association.

Section 2. Executive Officer Trustees. The Executive Officer Trustees shall be a continuing appointment as long as the individual remains as an Executive Officer of the association. Once the executive Officer resigns, is terminated, or replaced by his or her respective association, they no longer have the capacity to serve as a Trustee. An individual who no longer is an Executive Officer of one of the associations concurrently loses his or her position as Trustee.

Revision History

Revised by SAM Board, June 13, 2019

**SCHOOL ADMINISTRATORS OF MONTANA
TRAVEL ALLOWANCE INFORMATION
(to be revised annually)**

Travel Expense:

1. Payment of travel expenses will be allowable if approval has been granted prior to travel or negotiated later.
2. Allowable transportation costs encumbered in the course of authorized travel shall be paid.
 - a. Allowable out-of-state transportation costs will be the air fare cost or the cheapest of private vehicle cost or air fare cost.
 - b. Transportation Vehicle-- Reimbursed at state rate (as determined in the MT Dept of Administration Mileage Reimbursement Rates Operations Manual Policy, revised 12/20/18)
 - Other ground transportation --Actual
 - Air Transportation--Coach fare
 - c. Automobile Rental or Lease
 - d. Taxi Cab or other intra-city transient service if the use is in direct relation with the intent of travel.
3. Lodging
 - a. Actual accommodation rate and charges which are substantiated by a receipt.
4. Per Diem
 - a. Actual meal rate plus tips substantiated by a receipt for SAM employees or members.
 - b. Those traveling for SAM. (i.e. Contractors, Consultants...) (as determined in the MT Dept of Administration Meal Allowances Operations Manual Policy, revised 9/17/19)
 - i. Instate -- \$30.50 (Morning Meal- \$7.50, Midday Meal- \$8.50, Evening Meal- \$14.50)
 - ii. Out-of-State -- \$50 (Morning Meal- \$13, Midday Meal- \$14, Evening Meal- \$23)
5. Advanced Funds
Advanced funds that include registration and/or lodging and/or commercial travel must be reported on the travel claim form.

Revision History

Revised by SAM Board, October 17, 2019

Retiree Benefits

(Approved by SAM Board, January 23, 2012)

The Board authorizes health insurance benefits for retiring SAM employees meeting certain conditions and at the sole expense of the retiree. Those conditions are:

1. The retiree is:
 - a. at least 60 years of age and have at least five years of service, or
 - b. at least 55 years of age and have at least twenty years of service with SAM.
2. That the benefit is not an entitlement to any particular plan or benefit and the SAM Board may modify the plans at any time.
3. That there is no guarantee of health insurance benefits beyond the life of SAM.
4. This benefit would cease to be provided when a “retiree” became employed with another employer that provided health insurance for its employees.
5. A retiree who declined initial coverage or who dropped coverage may not enroll or re-enroll at a later time.

Dissemination of Voting Records of Legislators

(Adopted by action of the SAM Executive Board, December 19, 2013)

(Reviewed by SAM Board, January 16, 2014)

It is the policy of SAM to regularly track, periodically publish and disseminate the voting records of legislators on issues that impact, directly or indirectly, K-12 public education. Voting records of legislators will be published on the SAM website, distributed to our members, disseminated to non-partisan third-party sites, such as Project Vote Smart, and will be provided to others, at any time, upon request.

Neither the publication of voting records of legislators nor the dissemination of the same to others, upon request, is an endorsement nor a condemnation of any legislator by SAM, its Board of Directors, employees or members. Rather, the information is made available in order to educate members and others on issues affecting K-12 public education.

Conflict of Interest Policy and Annual Statement

(Approved by SAM Board, October 14, 2014)

Article I -- Purpose

1. The purpose of this Board conflict of interest policy is to protect SAM's interests when it is contemplating entering into a transaction or arrangement that might benefit the private interests of an officer or director of SAM or might result in a possible excess benefit transaction.
2. This policy is intended to supplement, but not replace, any applicable state and federal laws governing conflicts of interest applicable to nonprofit and charitable organizations.
3. This policy is also intended to identify "independent" directors.

Article II -- Definitions

1. **Interested person** -- Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.
2. **Financial interest** -- A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
 - a. An ownership or investment interest in any entity with which SAM has a transaction or arrangement,
 - b. A compensation arrangement with SAM or with any entity or individual with which SAM has a transaction or arrangement, or
 - c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which SAM is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. A person who has a financial interest may have a conflict of interest only if the Board or Executive Board decides that a conflict of interest exists, in accordance with this policy.

This policy is based on the IRS model Conflict of Interest policy, which is an attachment to Form 1023. It adds information needed to allow SAM to assess director independence in order to answer questions on Form 990

3. **Independent Director** -- A director shall be considered “independent” for the purposes of this policy if he or she is “independent” as defined in the instructions for the IRS 990 form or, until such definition is available, the director –
 - a. is not, and has not been for a period of at least three years, an employee of SAM or any entity in which SAM has a financial interest;
 - b. does not directly or indirectly have a significant business relationship with SAM, which might affect independence in decision-making;
 - c. is not employed as an executive of another corporation where any of SAM’s executive officers or employees serve on that corporation’s compensation committee; and
 - d. does not have an immediate family member who is an executive officer or employee of SAM or who holds a position that has a significant financial relationship with SAM.

Article III -- Procedures

1. **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 Board or Executive Board.
2. **Recusal of Self** – Any director may recuse himself or herself at any time from involvement in any decision or discussion in which the director believes he or she has or may have a conflict of interest, without going through the process for determining whether a conflict of interest exists.
3. **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 Board or Executive Board meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board or Executive Board members shall decide if a conflict of interest exists.
4. **Procedures for Addressing the Conflict of Interest**
 - a. An interested person may make a presentation at the Board or Executive Board meeting, 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 Chairperson of the Board or Executive Board 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 Executive Board shall determine whether SAM 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 Board or Executive Board shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in SAM'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 into the transaction or arrangement.

5. Violations of the Conflicts of Interest Policy

- a. If the Board or Executive 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 making further investigation as warranted by the circumstances, the Board or Executive Board determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Article IV – 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 Executive Board'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.

Article V – Compensation

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

Article VI – Annual Statements

1. Each director, principal officer and member of a committee with Board delegated powers shall annually sign a statement which affirms such person:
 - a. Has received a copy of the conflict of interest policy,
 - b. Has read and understands the policy,
 - c. Has agreed to comply with the policy, and
 - d. Understands SAM is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

2. Each voting member of the Board shall annually sign a statement which declares whether such person is an independent director.
3. If at any time during the year, the information in the annual statement changes materially, the director shall disclose such changes and revise the annual disclosure form.
4. The Executive Board shall regularly and consistently monitor and enforce compliance with this policy by reviewing annual statements and taking such other actions as are necessary for effective oversight.

Article VII – Periodic Reviews

To ensure SAM operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a. Whether compensation arrangements and benefits are reasonable, based on competent survey information (if reasonably available), and the result of arm's length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management organizations, if any, conform to SAM's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement or impermissible private benefit or in an excess benefit transaction.

Article VIII – Use of Outside Experts

When conducting the periodic reviews as provided for in Article VII, SAM 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 are conducted.

Revision History

Initial Conflict of Interest policy adopted October 14, 2015

SAM Director and Officer Annual Conflict of Interest Statement



1. **Name:** _____

2. **Position:**

Are you an Officer? Yes No

If you are an Officer, indicate which position you hold. _____

3. **I affirm the following:**

_____ I have received a copy of the SAM Conflict of Interest policy.

_____ I agree to comply with the policy.

_____ I understand that SAM is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of tax-exempt purposes.

4. **Disclosures:**

a. Do you have a financial interest (current or potential), including a compensation arrangement, as defined in the Conflict of Interest policy with SAM? Yes No

i. If yes, please describe:

ii. If yes, has the financial interest been disclosed, as provided in the Conflict of Interest policy? Yes No

b. In the past, have you had a financial interest, including a compensation arrangement, as defined in the Conflict of Interest policy with SAM? Yes No

i. If yes, please describe including approximate dates:

ii. If yes, has the financial interest been disclosed, as provided in the Conflict of Interest policy? Yes No

5. **Are you an independent director, as defined in the Conflict of Interest policy?** Yes No

a. If you are not independent, please explain. _____

Signature of Director

Date: _____

Date of Review by Executive Board: _____

Code of Ethics

(Approved by SAM Board, October 14, 2015)

Preamble

The professional conduct of every Montana School Administrator influences the attitude of the public toward the profession and, indeed, education in general within the state. Every member of the profession should assume the responsibility to conduct themselves in a manner reflecting the honor and dignity of the profession of school administration in the State of Montana.

These statements of ethical conduct and professional behavior are designed to encourage and emphasize strong and effective administrative leadership. Members of the School Administrators of Montana recognize and are subject to this Code of Ethics.

A Member of the School Administrators of Montana

1. Makes the well-being of students the fundamental value in all decision making and actions.
2. Fulfills professional responsibilities with honesty and integrity.
3. Supports the principle of due process and protects the civil and human rights of all individuals.
4. Obeys local, state, and national laws and does not knowingly join or support organizations that advocate, directly or indirectly, the overthrow of the government.
5. Implements the governing board of education's policies and administrative rules and regulations.
6. Pursues appropriate measures to correct those laws, policies, and regulations that are not consistent with sound educational goals.
7. Avoids using positions for personal gain through political, social, religious, economic, or other influence.
8. Accepts academic degrees or professional certification only from duly accredited institutions.
9. Maintains the standards and seeks to improve the effectiveness of the profession through research and continuing professional development.
10. Honor all contracts until fulfillment or release.

Compliance, Monitoring and Reporting

The SAM Executive Director is responsible for communicating this Code of Ethics to all members of the board of directors, standing committee members, as well as staff, staff interns and staff volunteers and for ensuring it's adherence at all times.

Revision History

Initial Code of Ethics adopted October 14, 2015

School Administrators of Montana Code of Ethics – Disclosure Form



This form must be completed by all members of the board of directors, standing committee members, as well as staff, staff interns and staff volunteers upon their joining the organization.

The undersigned, by their affixed signature, accept and agree to abide by the Code of Ethics policy.

Signature: _____

Printed Name: _____

Position within the organization (e.g. Director, Officer, Staff): _____

Date: _____

Whistleblower and Non-Retaliation Policy

(Approved by SAM Board, October 14, 2015)

SAM's Code of Ethics requires directors, officers, employees, and volunteers to observe high standards of business and personal ethics in the conduct of their duties and responsibilities.

As employees and representatives of SAM, we must practice honesty and integrity in fulfilling our responsibilities and comply with all applicable laws and regulations.

Article I - Reporting Responsibility

It is the responsibility of all directors, officers, staff, and volunteers to comply with and to report violations or suspected violations of the Code of Ethics, SAM policies, or laws in accordance with this policy.

Article II - No Retaliation

No director, officer, staff member, volunteer, or contractor who in good faith reports a violation of the Code, SAM policies, or law shall suffer harassment, retaliation or adverse employment consequence.

An employee who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of employment.

Any director who retaliates against someone who has reported a violation in good faith is subject to review by the Board of Directors.

This Whistleblower Policy is intended to encourage and enable employees and others to raise serious concerns within SAM prior to seeking resolution outside SAM.

Article III - Reporting Violations

Directors, officers, employees, and volunteers should share their questions, concerns, suggestions or complaints with someone who can address them properly.

In most cases, employees and volunteers should report to the SAM Executive Director.

However, if an employee or volunteer is not comfortable speaking with the Executive Director or is not satisfied with the response, that employee or volunteer is encouraged to report to any officer of the Board.

Article IV - Acting in Good Faith

Any good faith report, concern or complaint is fully protected by this policy, even if the report, question or concern is, after investigation, not substantiated.

Anyone filing a complaint concerning a violation or suspected violation must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation of the Code of Ethics, SAM policy, or law. Any allegations that prove not to be substantiated and have been made maliciously or with knowledge that they were false will be treated as a serious disciplinary offense.

Article V - Confidentiality

Upon the request of the complainant, SAM will use its best efforts to protect the confidentiality of the complainant for any good faith report. Violations or suspected violations may be submitted on a confidential basis by the complainant or may be submitted anonymously. Reports of violations or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

Article VI - Handling of Reported Violations

All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation. The complainant will be informed that follow-up has or is occurring within two weeks after the Executive Director or board officer has received the complaint or report. The Executive Committee shall be informed of all such complaints or reports.

Revision History

Initial Whistleblower and Non-Retaliation Policy adopted October 14, 2015

Document Retention and Destruction Policy

(Approved by SAM Board, October 14, 2015)

Article I - Purpose

SAM recognizes the importance of maintaining records for many reasons, including, but not limited to, the following:

1. Maintain a record of the legal structure of SAM
2. Document Board and board committee membership, decisions and activities
3. Document membership, membership votes and other activities related to involvement of members in the governance of SAM
4. Maintain SAM's policies -- both board and administrative policies
5. Allow SAM to demonstrate effective pursuit of its mission, to evaluate the success of its programs and to determine whether the organization is achieving desired results
6. Maintain a record of federal and state tax filings and important supporting information
7. Maintain a record of financial statements and budgets and important supporting information, to monitor budgetary and financial results and activities, and to identify sources of receipts
8. Identify all donations and grants and to maintain required documents
9. Maintain personnel and employment records
10. Maintain records of all contracts or other documents creating legal obligations or potential legal liabilities, including insurance contracts, vendor contracts, personal services contracts, leases and other property related contracts, as well as notices of any legal processes involving SAM or of any government investigations.

SAM's goal is to maintain such documents for a time period defined at a minimum by law, but otherwise for as long as such documents create an important historical record of SAM's activities or may be relevant to SAM's business needs, legal obligations, or any litigation or investigation.

Article II-Method of Retention

SAM may maintain records in electronic form or paper or in any other safe and reliable manner.

Records shall be stored in a secure location, which may be in the SAM offices or in a storage facility or other location.

SAM shall maintain a record of where records are stored or located so that they may be accessed within a reasonable period of time.

Article III-Document Destruction, Including Prohibition on Document Destruction

Documents not covered by this policy shall be destroyed when no longer useful to SAM and the files of SAM should be periodically culled of such documents.

Documents covered by this policy must be maintained for the period established in this policy, at a minimum, but may be maintained for a longer period of time.

Documents may not be destroyed and must be preserved and not altered in any manner if SAM knows or has been informed that they may be relevant to an investigation by any government entity or to litigation or potential litigation.

Article IV-Executive Director’s Authority

The Executive Director is authorized and directed to take steps to reasonably implement this policy and shall report to the Board on any issues, resource constraints, or concerns related to adequate implementation of this policy.

The Executive Director shall notify the Board of any additional document retention requirements mandated by law that should be added to this policy, and is directed to implement such requirements, even if not included in this policy.

The Executive Director may, by administrative policy and without Board authorization, create additional document retention requirements, as long as such requirements are not more restrictive than this policy.

Article V-Documents that must be maintained and retention periods

Legal structure of SAM	
1. Articles of Incorporation and any amendments	Permanently
2. Annual filing with the Secretary of State	Permanently
3. Bylaws and any amendments	Permanently
4. IRS Form 1023 and amendments	Permanently
5. IRS letter recognizing SAM’s tax exempt status	Permanently

Board and Board Committee membership, decisions and activities	
1. Minutes of Board and standing committee meetings	Permanently
2. Financial statements and budgets approved by the Board or any committee of the Board	Permanently
3. List of board members, contact information, and their terms	Permanently
4. Periodic reviews of Board effectiveness conducted by the Board, a committee of the board, a consultant, or management	15 years
5. Board resolutions, including banking resolutions, should be maintained as part of the minutes	Permanently
6. Annual Conflict of Interest disclosure statements	10 years after director is no longer on the board

Membership, membership votes and other activities related to involvement of members in the governance of SAM

1. List of nonprofit members, dates of membership, basic description of the member, and contact information	Permanently
2. Minutes of annual or special membership meetings	Permanently
3. Notices sent to membership related to governance functions	Permanently
4. Record of attendance at annual or special membership meetings	Permanently
5. Activities of members under the bylaws, including requests for governance actions	Permanently
6. Proxy statements or other evidence of authority of a person to vote for any nonprofit member	5 years after no longer effective

SAM's policies -- both board and administrative policies

1. Board policies, including record of effective dates, amendments and revisions	Permanently
2. Administrative policies, including record of effective dates, amendments and revisions	5 years after last effective date

Documents that demonstrate effective pursuit of SAM's mission, evaluate program success and determine whether the organization is achieving desired results

1. Strategic planning documents approved by the Board	15 years after end of effective period
2. Board, board committee, management reviews or evaluations of SAM projects	15 years
3. Consultant's reports on core SAM projects	15 years
4. Program files on SAM programs	10 years for major projects involving more than \$25,000 during any fiscal year; as determined by the ED for other programs

Financial statements, budgets, tax returns, and important supporting information.	
1. Federal and state annual tax returns and any amendments	Permanently
2. Business records that support federal and state annual returns	10 years
3. Financial reviews by outside CPAs or audited financial statements of SAM	Permanently
4. Documents that establish SAM's sources of receipts for tax and other purposes	10 years
<p>Note: All other significant documents related to the budget and financial results and activities should be part of the minutes of the Board.</p>	

Donations and grants	
1. Records of all donations, names and contact information for donor, any limitations on use, and disbursements	Permanently
2. Grants: records shall be kept as required by any grant document, but shall include the names and contact information of the grantor, any limitations on use, and disbursements	Permanently

Other	
1. Personnel and employment records	10 years after termination
2. Contracts or other documents creating legal obligations or potential legal liabilities, including insurance contracts, vendor contracts, personal services contracts, leases and other property related contracts as well as notices of any legal processes involving SAM or of any government investigations.	10 years after termination

Revision History

Initial Document Retention and Destruction Policy adopted October 14, 2015

Gift Acceptance Policy

(Approved by SAM Board, October 14, 2015)

Article I – Purpose

SAM solicits and accepts gifts that are consistent with its mission.

Article II – Acceptance of Gifts

Donations will generally be accepted from individuals, partnerships, corporations, foundations, government agencies, or other entities, without limitations.

In the course of its regular fundraising activities, SAM will accept donations of money, real property, personal property, stock, and in-kind services.

Article III – Review of Gifts

Certain types of gifts must be reviewed prior to acceptance due to the special liabilities they may pose for SAM. Examples of gifts which will be subject to review include gifts of real property, gifts of personal property, and gifts of securities.

Revision History

Initial Gift Acceptance Policy adopted October 14, 2015

Capitalization Policy

(Approved by SAM Board, January 15, 2016)

1. Purpose

This accounting policy establishes the minimum cost (capitalization amount) that shall be used to determine the capital assets that are to be recorded in School Administrators of Montana (SAM)'s annual financial statements (or books).

2. Capital Asset definition

A "Capital Asset" is defined as a unit of property that: (1) has an economic useful life that extends beyond 12 months; and (2) was acquired or produced for a cost of \$2500 or more. Capital Assets must be capitalized and depreciated for financial statement (or bookkeeping) purposes.

3. Capitalization thresholds

SAM establishes \$2500 as the threshold amount for minimum capitalization. Any items costing below this amount should be expensed in SAM's financial statements (or books).

4. Capitalization method and procedure

All Capital Assets are recorded at historical cost as of the date acquired.

Tangible assets costing below the aforementioned threshold amount are recorded as an expense for SAM's annual financial statements. Alternatively, assets with an economic useful life of 12 months or less are required to be expensed for financial statement purposes, regardless of the acquisition or production cost.

5. Recordkeeping

Invoice substantiating an acquisition cost of each unit of property shall be retained for a minimum of four years.

Revision History

Initial Capitalization Policy adopted January 15, 2016

SAM Youth Endowment Distribution

(Approved by SAM Board, April 5, 2019)

In January 2014, the SAM Board of Directors approved a distribution strategy for the SAM Youth Endowment. The funds collected annually will be distributed up to 75%, if requested, to recipients approved by the board, unless additional funding is requested and the Board of Directors approves those requests, and 25%, or the remaining funds will be deposited in the SAM Youth Endowment Restricted Account.

Beginning in April 2019, any annual remaining funds will be deposited in the SAM Youth Endowment Restricted Account (budget line item) rather than the Montana Community Foundation Agency Account. The SAM Board of Directors can determine appropriate use of the funds in the SAM Youth Endowment Restricted Account.

The SAM Board of Directors will select and approve the recipients of the SAM Youth Endowment distributions as part of the agenda of the April Board of Directors Meeting. Distribution will be made immediately thereafter.

Revision History

Initial SAM Youth Endowment Distribution Policy adopted April 8, 2016

Revised by SAM Board, April 5, 2019

SAM Investment/Finance Policy

(Approved by SAM Board, June 16, 2016)

I. Mission

The School Administrators of Montana (SAM) is a 501(c)3 not for profit corporation under the rules and regulations of the Internal Revenue Service, founded in 1970 with the following core purpose: to unite with visionary leaders in providing, advocating, and creating educational excellence for Montana students. Nearly 1000 members benefit from SAM's core values that include leadership, integrity & professionalism, advocacy, and professional learning & services for Montana administrators. SAM's vision is to be a member-led, model education organization dedicated to developing instructional leaders advocating for student success while being held in highest regard by all stakeholders for providing strategies, resources and tools to positively impact educational excellence for *all* Montana students.

II. Purpose and Scope

The purpose of this document is to provide a clear and accurate understanding of the investment goals and objectives established by the SAM Board of Directors. Because this policy statement is intended to provide guidelines for those responsible for managing the Organization's assets, this document outlines certain specific investment policies which will govern how those goals are to be achieved.

The Investment/Finance Committee of the Organization believes that the investment policies described in this statement should be dynamic. These policies should reflect the Organization's current status and management's philosophy regarding the investment of assets. These policies will be reviewed and revised periodically to ensure they adequately reflect changes related to the Organization's mission and the capital markets.

The investment policy applies to all of SAM's operating investments - the Organization's Funds - and excludes specific investments, such as the SEP-IRA and SIMPLE retirement plans.

III. Delegation and Responsibilities

The SAM Board of Directors has a direct oversight role regarding all decisions that impact SAM's institutional funds. The ultimate responsibility for investment oversight resides with the Board of Directors. The Board may delegate supervisory responsibility for the management of our institutional funds to an Investment/Finance Committee. The Board may hire outside experts as investment consultants. Transactions should be executed by brokerage firms known for the quality of their performance in this regard. SAM expects that commissions will be competitive with those offered institutional portfolios of comparable size.

Specific responsibilities of the various bodies and individuals responsible for the management of the institutional funds are set forth below:

Responsibilities of the Investment/Finance Committee

The SAM Investment/Finance Committee consists of the SAM Executive Board of Directors. Individuals shall possess knowledge of the principles and practices of SAM as applied to the

administration of the Organization's diversified programs and possess the knowledge of issues and programs relating to the goals and objectives of SAM. Committee members will discharge their duties solely in the interest of SAM and will exercise care, skill, prudence and diligence in decision making. The Investment/Finance Committee shall monitor the Fund's investment portfolio for compliance with this policy. The Committee shall review the portfolio quarterly and review the guidelines at least annually. The Committee will report quarterly to the Board the Fund's investment performance and compliance with the investment policy.

Note: All budget matters shall be acted upon in conjunction with the Annual Meeting of the Investment/Finance Committee and the Board of Directors. The financial matters of the Organization are not the sole responsibility of this Committee. It is essential that the Committee openly communicates all financial matters to the entire Board. The Committee is to make informed recommendations to the Board on financial and investment matters for the organization. Final decision-making authority rests with the Board.

Responsibilities of the Investment Advisor

Fiduciary Responsibilities

The SAM Board of Directors retains the right to contract with a qualified investment manager to whom authority may be delegated to invest and reinvest assets in accordance with this document. Investment Advisors will be chosen on the basis of their previous track record in the investment category for which they are being considered. The Investment Advisors are expected to manage the Organization's assets in a manner consistent with the investment objectives, guidelines, and constraints outlined in this policy and in accordance with state and federal laws. The investment management firm must carry sufficient Error and Omissions insurance and provide a copy to the Committee. See the latest-dated Appendix I regarding the duties and responsibilities of the organization's current Investment Advisor.

Communication Responsibilities

The Committee should meet with the Investment Advisor at least annually to review and understand investment results. The Committee should ensure that interim investment performance is reported at least quarterly (quarterly statements). The Committee is responsible to contact the Investment Advisor timely if questions arise as to investment transactions, performance, or fees. The Committee is responsible to notify the Board of material changes in the ownership or performance of the Investment Advisor firm. The Committee is responsible to obtain investment information requested by the Board and to arrange meetings between the Investment Advisor and the Board of Directors when needed. Written reports of interim performance should be provided not less than quarterly for all portfolios. The Investment Advisor should be available on a reasonable basis for telephone communication when needed. Any material event that affects the ownership of the Investment Advisor firm or the management of this account must be reported immediately to the Committee. Each Investment Advisory is expected to provide any reasonable information requested by the Board of Directors or the Investment/Finance Committee and may be asked to meet with representatives of SAM periodically to review investment performance and philosophy.

Security Selection/Asset Allocation

The Committee is responsible to understand asset allocation and to recommend investments with the help of the Investment Advisor. The Investment/Finance Committee shall review and approve asset allocation and investment choices at least annually. Realization of capital gains or losses on securities sales should be reviewed solely on the basis of investment merits.

The overall funds are expected to operate within an overall asset allocation strategy defining the Funds' mix of asset classes. This strategy sets a long-term percentage target for the amount of the Funds' market value that is to be invested in any one asset class. The allocation strategy also defines the allowable investment shifts between the asset classes, above and below the target allocations. The asset allocation strategy for each manager's portfolio can deviate from the overall Funds' asset allocation; however, the Committee is responsible for monitoring the aggregate asset allocation and will rebalance to the target allocation on a periodic basis.

Voting Rights

At its discretion, the Committee may assign certain rights to the Investment Advisor, including voting rights as acquired through the purchase of securities. The Investment Advisor shall use the best interests of the Organization as their sole voting criteria.

IV. Investment Objectives

The general investment objective of SAM is to achieve a long-term rate of return that will allow the Organization to satisfy distribution requirements, meet expenses and offset the impact of inflation. In general, the Fund's assets shall be invested in accordance with sound investment practices that emphasize long-term investment fundamentals, while avoiding excess business holdings, as well as investments that could jeopardize the ability of the association to carry out its purpose. In establishing the investment objectives of SAM, the Board of Directors and the Investment/Finance Committee have taken into account the time horizon available for investment, the nature of the Organization's commitments, requirements of both federal and state laws and other factors.

To achieve these objectives, the Board of Directors and the Investment/Finance Committee seek to create a well-diversified and balanced portfolio of high quality equity, fixed income and cash equivalent securities, but acknowledge there may be temporary periods during which the Organization's investment portfolio may contain concentrated stock positions. However, said periods are intended to be of short duration, with diversification of the portfolio as a primary objective. It is the Organization's objective that all investments are managed in both a prudent and professional manner and in compliance with these guidelines. It is understood that there can be no guarantees about the attainment of the goals or investment objectives outlined here.

V. Strategic Asset Allocation

This policy sets forth the Funds' asset allocation strategy. Deviations from this asset mix guideline may be authorized in writing or digitally by the Committee when they determine that the aggregate deviation does not constitute a material departure from the spirit of the target allocation

Operating Funds

Fund Information:

SAM General Operating Funds and all other bank accounts. The unrestricted funds consist of monies received in the form of membership dues, contributions, gifts, fundraising, grants, investments, rents and all other revenues not specifically designated for restricted use.

Investment Objective:

Funds necessary to pay operating expenses for the current period (not to exceed 90 days) are to be held in the operating checking accounts. Funds in excess of the current operating needs will generally be held in a fully insured savings account or money market for ease of transfer to the operating accounts. The Board of Directors may authorize the transfer of excess funds to Certificate of Deposit or Treasury Bills that are short term in nature. In addition, the board may authorize the transfer of some excess funds to either a Fund Held for Investment or Restricted Fund. Under no circumstances will total deposits in any financial institution exceed applicable FDIC or SIPC limits.

Funds Held for Investment

Fund Information:

Funds Held for Investment are monies held for an intermediate-to long period of time to be spent for a specific program or capital expenditure and that are not to be held as a permanently restricted endowment. Examples are the temporarily restricted funds for each Affiliate association of SAM.

Investment Objective:

Funding obligations are intermediate- to long- term in nature, so the investment objective is an emphasis on current income and capital preservation.

Asset Allocation:

The Board of Directors and the Investment/Finance Committee recognize the necessity of a long-term vision when formulating the overall investment policy and strategy. However, shorter term investment goals may from time to time be established, as necessitated by financial commitments and obligations of the Organization. With that said, portfolio assets will, under normal circumstances, be allocated across broad asset and sub-asset classes in accordance with the following guidelines.

- The SAM Board of Directors and the Investment/Finance Committee should not engage in market-timing techniques that attempt to capture short-term profits. SAM is an investor with long-term goals, not a speculator, and does not consider short-term market timing an appropriate technique for management of these funds.
- 60% (target 55% - 65%) of the investment portfolio will be invested in equity securities, with the remaining 40% (target 35% - 45%) invested in fixed-income securities or cash and equivalents.

- To maximize returns dividends, interest, proceeds from sales, new deposits and all cash balances should be invested in cash equivalents or money market funds unless reinvested in equity or fixed-income securities.

Further, it is understood that there may be deviation from the target allocation from time to time, as necessitated by changes in economic and market conditions and the goals of the Organization. Additionally, while the intent is to stay within reasonable deviation from the target allocation percentages, it is understood that there may be temporary periods where concentrated stock positions are held, and which will cause substantial deviation from the target allocation. With that said, such periods are intended to be temporary. Finally, the target allocation is to be revisited by the Investment/Finance Committee regularly, but no less than annually, to determine if modifications are warranted, and/or rebalancing to the target allocation is required.

To the extent the portfolio holds investments in nontraditional, illiquid, and/or nonmarketable securities including (but not limited to) venture capital, hedge funds, and real estate investments, these assets will be treated collectively as alternative investments for purposes of measuring the portfolio's asset allocation. While not specifically considered within this policy at this time, alternative investments may comprise no more than 10% of total portfolio assets, and may only be held through mutual funds as defined under the Investment Company Act of 1940.

Restricted Funds

Restricted Funds held by SAM are restricted by request of a donor for a specific purpose. Quasi-restricted funds are designated by the Board of Directors for a specific purpose until the Board votes to re-designate the funds for something else. These funds are intended to be held in perpetuity or used by the Organization in accordance with their restricted nature.

VI. Diversification Guidelines

Diversification across asset classes is the primary means by which the Board of Directors and the Investment/Finance Committee expect the portfolio to avoid undue risk of large losses over long time periods. To protect the portfolio against unfavorable outcomes within an asset class due to the assumption of large risks, the Investment/Finance Committee will take reasonable precautions to avoid excessive investment concentrations.

With the exception of cash and cash, and except as allowed for elsewhere in this document, no single investment security shall represent more than 5% of total portfolio assets. With the exception of passively managed investment vehicles seeking to match the returns on a broadly diversified market index, no single investment pool or investment company (mutual fund) shall comprise more than 20% of total portfolio assets. With respect to fixed income investments, while a portion of the portfolio may be comprised of speculative grade issues, the minimum average credit quality shall be investment grade (Standard & Poor's BBB or Moody's Baa or higher).

VII. Other Guidelines

Unless expressly permitted and directed by the Board of Directors and the Investment/Finance Committee, the portfolio and its investment managers are prohibited from:

1. Trading securities on margin or executing short sales;
2. Pledging or hypothecating securities;
3. Purchasing or selling derivative securities for speculation or leverage;
4. Purchasing or selling commodity futures;
5. Trading warrants (except for liquidating transactions of warrants received);
6. Engaging in any investments that could jeopardize the charitable purpose of the organization;
7. Maintaining excess business holdings; and
8. Engaging in any transaction that could negate, impair or revoke the Organization's tax- favored status, including, but not limited to, self-dealing.

VIII. Liquidity Policy

To better assure adequate liquidity to meet budget guidelines, the Board of Directors and Investment/Finance Committee have determined that an operating reserve that will be no less than 12 months (minimum) and no more than 18 months (maximum) of the annual operating budget. When the operating reserve exceeds the 18 month threshold, the Committee shall research investment options with the Investment Advisor, considering transaction costs and asset allocation among other factors, and make recommendations to the Board for moving funds into the investment portfolio. The operating reserve will be reviewed by the Investment/Finance Committee at least annually to determine if the Organization is in compliance with this policy.

IX. Spending Policy

It is the goal to preserve the long-term, real purchasing power of assets while providing a relatively predictable and growing stream of annual distributions in support of the Organization. Therefore, the Organization shall make use of a total-return-based spending policy, meaning that it will fund distributions from net investment income, net realized capital gains, and proceeds from the sale of investments. The distribution of the Fund's assets will be permitted to the extent that such distributions do not exceed a level that would erode the Organization's real assets over time. Specifically, distributions will not exceed 5% of the average year-end balance of the organization over the prior three years without specific authorization of the Board of Directors. The Board of Directors and the Investment/Finance Committee should also attempt to anticipate any expenditure in excess of the annual limit for the purpose of determining whether any changes would be necessary to the Fund's asset allocation.

X. Performance Evaluation

As noted above, the Committee will monitor the Funds' performance on a quarterly basis and will evaluate the Funds' success in achieving the investment objectives.

The Funds' performance should be reported in terms of rate of return and changes in dollar value. The returns should be compared to the appropriate market indexes, for the most recent quarter and for annual and cumulative prior time periods. The portfolio's asset allocation should also be reported on a quarterly basis.

Risk as measured by volatility, or standard deviation, should be evaluated after five quarters of performance history have accumulated. An attribution analysis should also be performed, to evaluate how much of the portfolio's investment results are due to the manager's investment decisions, as compared to the effect of the financial markets. It is expected that this analysis will use the "policy index", the real return target, and a peer group universe, as defined in Section IV as performance benchmarks for evaluating both the returns achieved and the level of risk taken.

XI. Approval

Deviations from the investment policies and constraints outlined in this document may be authorized in writing or digitally by the Investment/Finance Committee when they determine that the aggregate deviation does not constitute a material departure from the spirit of this investment policy.

The investment policy as set forth in this document will be reviewed annually by the Investment/Finance Committee and reported to the Board of Directors to approve and implement changes. If at any time the Investment Advisor believes that these objectives cannot be met or that the investment guidelines constrict performance, the Committee should be so notified in writing or digitally. By initial and continuing acceptance of these objectives and guidelines, the Investment Advisor concurs with the provisions of this document.

XII. Acceptance

In accepting the responsibility of managing SAM's portfolio, the Board of Directors and the Investment/Finance Committee simultaneously accept the guidelines and restrictions placed upon it by this Investment/Finance Policy Statement for School Administrators of Montana.

Appendix I

Custodian: D.A. Davidson & Co.

Custodians are responsible for the safekeeping of the portfolio's assets. The specific duties and responsibilities of the custodian are:

1. Value the holdings.
2. Collect all income and dividends owed to the portfolio.
3. Settle all transactions (buy-sell orders).
4. Provide monthly reports that detail transactions, cash flows, securities held and their current value, and change in value of each security and the overall portfolio since the previous report.

Investment firms are highly regulated in federal guidelines or regulations to which the advisor firm/agent must abide. The investment advisor firm is to be registered and in good standing with the SEC.

Investment Advisor: Brent Rehm and the Rehm/Kirk Investment Team, a service of D.A. Davidson

The Investment Advisor serves as an objective, third-party professional retained to assist the committee in managing the overall investment process. The Advisor is responsible for guiding the committee through a disciplined and rigorous investment process to enable the committee to meet the fiduciary responsibilities outlined above.

Revision History

Initial SAM Investment/Finance policy adopted June 16, 2016