<div align="center">**Check Signature Authority Policy and Procedure for**
Friends of Montana PBS payments
June 14, 2023</div>

Background:
The Friends of Montana PBS is a 501(c)3 organization that supports the work of Montana PBS through advocacy, community engagement and fundraising. Funds raised through the Friends of Montana PBS are used for operating costs of the organization according to a budget approved by the Board, with the net revenue after expenses going to KUSM-TV and KUFM-TV per the annual network agreement. The Finance and Audit Committee of the Friends of Montana PBS is responsible to oversee the fiscal activities of the Friends to ensure its stability and long-term economic health. The committee is also authorized to recommend internal control polices consistent with sound financial practices.

The purpose of this Check Signature Authority policy and process is to provide appropriate controls on the expenditure of Friends of Montana PBS funds, while maintaining efficiency of processes to conduct business in a timely manner.

Friends of Montana PBS accounts consist of two categories of funds: Operating and Non-Operating. Operating funds are generally the annual giving monies, raised from Montana PBS memberships and donations that are unrestricted in their purpose. Operating funds are used to cover the annually budgeted operating expenses of Friends, with net revenue at the end of each month paid to KUSM and KUFM per the network agreement percentages.

Non-operating funds are grants, bequests and other donations, received by the Friends, which may or may not carry restrictions for a specific use by the donor. These non-operating funds are held in different banking and/or investment accounts than the operating funds. Non-operating funds are often held for more than a year, or until expended according to the donor purpose. According to the By-laws of the Friends of Montana PBS, the Treasurer, or designated member of the KUSM staff can sign checks.

Policy:
Payments (checks, automatic withdrawals) for budgeted operating expenses, and non-operating expenses (under $ 10,000) will be signed by the KUSM General Manager only, with the exception of any payments made to Friends of Montana PBS related parties (KUSM, KUFM, Montana PBS, or the Broadcast Media Center). Before payment is processed to these entities, it will be authorized by the Treasurer or other officer of the Board according to the procedure outlined below. Non-operating payments or unbudgeted operating payments above $ 10,000, regardless of the payee, will follow the same procedure.

Detailed Procedure:
The following steps document how payments will be authorized and processed.

1. Bills received are approved and coded to the appropriate accounting code by a member of the Development staff and delivered to the Friends Accountant.
2. The accountant enters the transaction into QuickBooks Online in the appropriate fund and account.
3. The accountant runs a report ("Check Detail") of all bills received and payments to be made in a 10 day period and delivers this to the Director of Finance for review.
4. The Director of Finance reviews and signs off on the Check Detail and returns to the Accountant who prints the checks.
5. Payments (checks or authorized direct withdrawals) for budgeted operating accounts (except as outlined in #6 below) or non-operating accounts up to $ 10,000 are signed by the KUSM General Manager and sent to the vendor.
6. Payments to one of the Friends of Montana PBS related parties (KUSM, KUFM, Montana PBS, Broadcast Media Center) are first reviewed and authorized by the Friends of Montana PBS Treasurer, or other officer member if not available, through DocuSign or similar signatory software. After authorization, the accountant will then print checks and the General Manager will sign.
7. Documentation of the authorization is attached to the Check Detail record.
8. The Check Detail with all documentation of approvals and authorizations will be distributed to the Executive Committee of the Friends of Montana PBS and filed.