



South Central Oklahoma Rural Education
— **COLLABORATIVE** —
Growing Local Educators

Core Governance Policies

#	POLICY	IRS FORM 990
1	Conflict of Interest Policy	Required — Part VI
2	Financial Controls Policy	Best practice
3	Document Retention & Destruction Policy	Required — Part VI
4	Whistleblower Policy	Required — Part VI
5	Gift Acceptance Policy	Best practice
6	Executive Director Compensation Policy	Best practice

These policies were adopted by the SCORE Collaborative Board of Directors as a set on April 14, 2026

POLICY 1 CONFLICT OF INTEREST POLICY

PURPOSE

The SCORE Collaborative is committed to acting in the best interest of the organization and the communities it serves. This policy is designed to protect SCORE's interests when it is contemplating entering into a transaction or arrangement that might benefit the private interests of a board member, officer, or key employee. This policy is intended to supplement, but not replace, any applicable state and federal laws governing conflicts of interest.

DEFINITIONS

Interested Person: Any board member, officer, or key employee who has a direct or indirect financial interest, as defined below.

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 SCORE has a transaction or arrangement; (b) a compensation arrangement with SCORE or with any entity with which SCORE has a transaction or arrangement; or (c) a potential ownership or investment interest in, or compensation arrangement with, any entity with which SCORE is negotiating a transaction or arrangement.

PROCEDURES

Duty to Disclose: In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the board.

Determining Whether a Conflict of Interest Exists: After disclosure of the financial interest, the interested person shall leave the board meeting while the board discusses and votes on whether a conflict of interest exists.

Addressing the Conflict: If a conflict of interest is determined to exist, the interested person shall not participate in the final deliberation or vote on the matter. The board minutes shall reflect that a disclosure was made, that the interested person was absent from discussion and vote, and the vote taken.

ANNUAL DISCLOSURE

Each board member, officer, and key employee shall annually sign a statement which affirms that such person: (a) has received a copy of this conflict of interest policy; (b) has read and understands the policy; (c) has agreed to comply with the policy; and (d) understands that SCORE is a charitable organization and that in order to maintain its federal tax exemption it must engage primarily in activities which accomplish its tax-exempt purpose.

POLICY 2 FINANCIAL CONTROLS POLICY

PURPOSE

This policy establishes financial controls to protect the SCORE Collaborative's assets, ensure accurate financial reporting, and maintain the trust of donors, funders, and the communities SCORE serves.

BUDGET AUTHORIZATION

1. The Executive Director shall prepare an annual operating budget for board approval prior to the start of each fiscal year.
2. Material variances from the approved budget exceeding 10% of any line item or \$2,500 (whichever is less) shall be reported to the board and require board approval before expenditure.
3. The board shall review financial statements no less than quarterly.

EXPENDITURE AUTHORIZATION

1. The Executive Director is authorized to approve expenditures up to \$2,500 without additional board approval.
2. Expenditures between \$2,500 and \$10,000 require the Executive Director's approval and documentation of the business purpose.
3. Expenditures exceeding \$10,000 require board approval except in documented emergencies, which shall be reported to the board at the next meeting.
4. No single individual shall both authorize and process a payment. The Executive Director and at least one board officer must both be involved in transactions above \$2,500.

BANKING & CHECK SIGNING

1. SCORE shall maintain accounts only at federally insured financial institutions.
2. Checks or electronic payments exceeding \$2,500 require two authorized signatures: the Executive Director and one board officer.
3. No checks shall be made payable to cash. No signed blank checks shall be issued.
4. Bank statements shall be reviewed monthly by the Executive Director and reconciled by someone other than the person who processes payments when possible.

CREDIT CARDS & REIMBURSEMENTS

1. Any organizational credit card is issued only to the Executive Director and requires itemized receipts for all charges.
2. Expense reimbursements require itemized receipts and a brief written description of the business purpose.
3. The Executive Director's expenses shall be reviewed and approved by the Board Chair.

ANNUAL FINANCIAL REVIEW

SCORE shall engage an independent CPA to conduct an annual financial review or audit as required by funders or as directed by the board. The board shall review the resulting report and any management letter before the document is finalized.

POLICY 3 DOCUMENT RETENTION & DESTRUCTION POLICY

PURPOSE

This policy provides guidance on retaining SCORE Collaborative records for the periods required by law and destroying them when appropriate. Proper records retention protects SCORE's legal interests, supports accurate reporting, and ensures compliance with IRS requirements.

RETENTION SCHEDULE

The following schedule governs the retention of SCORE's records:

Record Type	Retain	Format
Articles of Incorporation, bylaws, and amendments	Permanent	Original + digital
Board meeting minutes and resolutions	Permanent	Original + digital
IRS determination letter (tax-exempt status)	Permanent	Original + digital
Annual Form 990 filings	Permanent	Digital
Audits and financial reviews	Permanent	Digital
Grant agreements and final reports	7 years	Digital
Contracts and legal agreements	7 years after expiration	Digital
General financial records and bank statements	7 years	Digital
Personnel records (active employees)	Duration of employment + 7 years	Secure digital
General correspondence	3 years	Digital
Program records and participant data	5 years after program end	Secure digital

DOCUMENT DESTRUCTION

The Executive Director is responsible for ensuring documents are destroyed in accordance with this schedule. Destruction shall be documented. Paper documents containing sensitive information shall be shredded. Electronic records shall be permanently deleted.

Litigation Hold: If SCORE becomes aware of a government investigation, audit, or pending litigation, the Executive Director shall immediately halt all scheduled destruction until the matter is resolved and legal counsel advises that destruction may resume.

POLICY 4 WHISTLEBLOWER POLICY

PURPOSE

The SCORE Collaborative is committed to the highest standards of ethical conduct and legal compliance. This policy encourages board members, staff, and volunteers to report suspected wrongdoing and protects those who do so from retaliation.

REPORTING CONCERNS

Any board member, employee, or volunteer who has a reasonable basis to believe that SCORE has engaged in — or is about to engage in — illegal activity, dishonest conduct, improper use of funds, or a serious violation of organizational policy should report the concern promptly.

Reports may be made to:

- The Executive Director (for concerns not involving the Executive Director)
- The Board Chair (for concerns involving the Executive Director or a board member)
- Any board officer (if the concern involves the Board Chair)

Reports may be made in writing or verbally. Anonymous reports will be accepted and investigated to the extent possible.

PROTECTION FROM RETALIATION

SCORE strictly prohibits retaliation against any individual who in good faith reports a concern under this policy. Retaliation includes termination, demotion, suspension, harassment, or any other adverse action. Anyone found to have engaged in retaliation will be subject to disciplinary action up to and including termination or removal from the board.

This policy does not protect individuals who make reports that are knowingly false or made with malicious intent.

INVESTIGATION

The Board Chair, or a committee designated by the board, shall promptly investigate all reported concerns. The investigation shall be documented, and findings shall be reported to the full board. If the concern involves potential criminal conduct, SCORE shall consult legal counsel and report to appropriate authorities as required by law.

POLICY 5 GIFT ACCEPTANCE POLICY

PURPOSE

This policy establishes guidelines for the acceptance of gifts to the SCORE Collaborative. SCORE is grateful for the generosity of its donors and seeks to accept gifts that further its mission of building Southern Oklahoma's K–12 teacher pipeline while protecting the organization from undue risk or obligations.

GIFTS THAT MAY BE ACCEPTED WITHOUT BOARD APPROVAL

The Executive Director is authorized to accept the following without additional board review:

- Cash, checks, and electronic transfers in any amount
- Publicly traded securities (to be liquidated promptly upon receipt)
- Pledges payable within three years
- Gifts-in-kind of tangible personal property with a clear program-related use
- Corporate matching gifts

GIFTS REQUIRING BOARD APPROVAL

The following gifts require review and approval by the board before acceptance:

- Bequests and testamentary gifts
- Real property of any kind
- Gifts with significant donor restrictions that could limit SCORE's operational flexibility
- Gifts from donors with whom SCORE has a contractual relationship that may create a conflict
- Non-publicly traded securities
- Any gift valued at over \$25,000 that carries naming rights or public recognition obligations

GIFTS SCORE WILL NOT ACCEPT

SCORE reserves the right to decline any gift that:

- Conflicts with SCORE's mission, values, or nonprofit status
- Comes with conditions that are unduly restrictive or administratively burdensome
- Creates a conflict of interest
- Could expose SCORE to liability or reputational harm

DONOR ACKNOWLEDGMENT

SCORE shall provide written acknowledgment of all gifts in compliance with IRS requirements. Gifts of \$250 or more shall receive a contemporaneous written acknowledgment. SCORE does not provide appraisals of donated property but will acknowledge receipt of gifts-in-kind.

POLICY 6 EXECUTIVE DIRECTOR COMPENSATION POLICY

PURPOSE

This policy establishes a process for setting and reviewing the Executive Director's compensation in a manner that is reasonable, transparent, and consistent with IRS requirements for tax-exempt organizations. The IRS requires that compensation of key employees be set through an "appropriate comparability data" process to avoid penalties for excess benefit transactions.

COMPENSATION-SETTING PROCESS

The board shall conduct an annual review of the Executive Director's compensation using the following process:

1. The Executive Director shall recuse himself or herself from all discussions and votes related to his or her own compensation.
2. The board or a designated compensation committee shall gather comparable compensation data from at least two of the following sources: (a) published compensation surveys for nonprofit executive directors in Oklahoma or comparable rural markets; (b) IRS Form 990 data from comparable organizations; (c) guidance from a compensation consultant if warranted.
3. The board shall document the comparability data reviewed, the decision reached, and the basis for determining that compensation is reasonable.
4. The approved compensation and the process used to set it shall be recorded in the board minutes.

COMPONENTS OF COMPENSATION

Total compensation includes all forms of remuneration: base salary, bonuses or incentive pay, retirement contributions, health and other benefits, and any other taxable or non-taxable benefits. All components shall be included in the comparability analysis.

ANNUAL PERFORMANCE REVIEW

The board shall conduct a formal annual performance review of the Executive Director. The review shall assess progress on organizational goals, financial management, program outcomes, and community relationships. Compensation adjustments shall be tied to the results of this review and to SCORE's financial condition.

TRANSPARENCY & REPORTING

The Executive Director's compensation shall be reported accurately on IRS Form 990 as required. The board acknowledges its responsibility to ensure compensation is set at a level that is both competitive enough to retain qualified leadership and appropriate for an organization of SCORE's size, mission, and funding stage.