

A. Policy scope and governance: NSSA and NSCA budgets are approved by the NSSA Executive Committee (NSSA EC) with review and operational oversight by the NSSA/NSCA Finance Committee, NSSA EC and NSCA Executive Council (NSCA EC) and executed by the NSSA CFO.

B. Definitions:

1. **Operations and Maintenance (O&M) budget.** Approved annually by the NSSA EC, developed by Senior Management with the Finance Committee¹, reviewed by NSSA and NSCA EC's, and executed by the CFO.²
 - a. (Primary Management: Finance Committee, Distributions: NSSA CFO)
2. **Investment Portfolio (IP).** NSSA's IP is managed via an external investment firm within the parameters of the Investment Policy Statement (ref. NSSA-FIN001)
 - a. (Primary Management: External Investment Firm in collaboration with Finance Committee which approves any IP changes, Distributions: CFO)
3. **Marketing Funds (MF).** Funds are generated through a portion of the respective daily target fees from both NSSA and NSCA events. These funds *reside within the investment portfolio* accounts, and are managed through the NSSA EC and NSCA EC respectively, allocated by the Finance Committee.
 - a. (Primary Management: Finance Committee, Distributions: CFO)
4. **Endowment Fund (EF).** The endowment fund (EF) is comprised of restricted and unrestricted donations from members, member's families, estates, industry partners, and others seeking to support the promotion of our *clays culture and shooting sports*. The funds reside within the IP in a designated EF account.
 - a. (Primary Management: EF Committee, Distributions: CFO)

C. Budget Assumptions and Parameters:

1. Once the NSSA budget is approved, *any request for an increase to the approved budget* for one or more valid budget line(s) or program(s) must be approved, modified, or denied by the NSSA EC acting in its capacity as the NSSA BOD, after the Finance Committee assesses the supportability of the request.
2. A request to *re-allocate funds* from one program to another *that does not require a budget increase* (within the approved budget) is reviewed by the Finance Committee Chair(s), CFO, and forwarded to the NSSA Officers for review and sent to the EC for final approval.

D. Allocation of Funds Process:

1. NSSA Dir or NSCA Dir publishes *approved program* solicitations (e.g., scholarships, club grants, zone or state funds) via digital and print communications to member(s) and/or member club(s) as applicable with prescribed eligibility parameters and due dates.
2. Program applications are *submitted to the respective NSSA or NSCA* point of contact within the program eligibility and deadlines.
3. NSSA Dir or NSCA Dir *reviews the applications for eligibility and provides a funding recommendation* via a prioritized list of candidate club(s), member(s), or program(s) to the NSSA Executive Director, NSSA Officers, and/or NSCA Officers for review prior to presentation to the respective EC's (program dependent).

¹ NSSA/NSCA Finance Committee is abbreviated Finance Committee for the remainder of this policy.

² NSSA CFO is abbreviated to CFO for the remainder of this policy.

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4. The recommendation is presented to the NSSA EC or NSCA EC, the EC's will *vote to approve, modify, or reject the recommendations* in whole or in-part, and select the funding source to support their decision(s). In accordance with Section B, the EC(s) must consider *the best deployment of NSSA-NSCA funds* to support the program. The EC's should apply the following funding logic:
 - a. If the program is funded via O&M budget (e.g. line item or program) and *not identified within the restricted* EF donations, the O&M budget funds the program.
 - b. If the program is supported by EF restricted or unrestricted donations, the restricted *funds should be the primary funding source in compliance with the donor's parameters*. Unrestricted funds may source if the program is available (i.e. Museum) or the EFC determines there is available revenue to support *the program if consistent with the EF mission*. Eligible programs: (e.g., Museum, Youth Camps, Referee Training, Club Grants, Scholarships), Non-eligible programs or budget line items: (e.g., NSSA/NSCA/NSC staff salary for new or existing employees, Supplement employee health insurance policies, etc.).
 - c. If the program is eligible for MF, EF, and O&M the EC's *may select one or more* funding source to support the program, a hybrid solution from the four funding sources.
 - d. If the program and actions in items 4a, 4b, or 4c, require additional funding beyond the O&M, MF, and EF, the IP or a loan are the other two options which the NSSA EC will direct the NSSA/NSCA Finance Committee to research and assess. Once the Finance Committee and CFO assess the request, the Finance Committee will convene (virtually) to review and vote, and this vote serves as the Finance Committee's recommendation to the NSSA EC for their decision to approve, modify, or reject.
5. The CFO will coordinate with the Finance Committee Chair(s) *for all decisions in section D.4*. In the event EF is selected as the funding source, the EFC Chair(s) will be notified of the NSSA EC decision.

E. Scenarios to demonstrate the process:

1. NSCA Dir receives state or club grant requests that exceed the approved O&M budget. In accordance with D.4.c, the NSCA Officers could request via the Finance Committee *additional funds from the MF to source this request*. If this is an approved EF program with restricted funds allocated for NSCA clubs, this could either fully fund or partially fund in addition to O&M and MF.
2. NSSA Scholarships applications were submitted and vetted by NSSA Dir and forwarded to the NSSA EC to approve, modify, or reject. NSSA EC approves as recommended and funded from the approved O&M budget line item as referenced in D.4.a.
3. NSSA Executive Director is informed that property adjacent to the NSC is available for purchase. This would protect from encroachment on the NSC. This request is discussed with the NSSA Officers and presented to the Finance Committee for consideration and assessment to purchase. The Finance Committee and the NSSA EC approve the real estate acquisition then Finance Committee Chair(s) and CFO collaborate to identify the appropriate funding options. The proposed price exceeds NSSA's available (liquid) cash and requires a partial liquidation of the IP or a loan. This purchase could be supported by the IP, loan, or hybrid of the two depending on the best course of action, reference D.4.d.
4. NSSA Dir receives club grants and completes due diligence review of the applications. A recommendation is forwarded to the NSSA Officers for initial review and subsequently forwarded to the NSSA EC to approve, modify, or reject the recommendation. The EF has a

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restricted donation that will fund 100% of the club grants. The NSSA EC approves the recommendation, and the EFC Chair(s) is notified that the EF restricted donation will support this club grant program in accordance with the donor's parameters. CFO coordinates with NSSA Dir and EFC Chair(s) for distribution, reference D.4.b.