



FINANCIAL TRAINING

Fiduciary Duties

Arizona Association of Conservation Districts

District Training Program

2018



Specific Training Modules

FIDUCIARY DUTIES - THIS MODULE



OTHER MODULES LISTED BELOW FIND ONLINE - WEBSITE: www.aacd1944.com

- ❧ Financial Planning
- ❧ Available Funding Mechanisms
- ❧ Fundraising
- ❧ Budgeting & Allocating Funding
- ❧ Grant Contracts & Agreements
- ❧ Audits & Reporting
- ❧ Financial Policies & Procedures
- ❧ Accounting Methods & Financial Statements
- ❧ Internal Controls
- ❧ Personnel & Contractors

Fiduciary Duties



What's in this Training Module?

- ❖ Statutory Requirements
 - Financial Reporting
 - Liability
 - Financial Policy
- ❖ State of Arizona Public Records Law Title 39

Definition of Fiduciary:

Involving trust, especially with regard to the relationship between trustee and beneficiary. *Held or given in trust.* "The company (District) has a fiduciary duty to its shareholders (taxpayers & cooperators)."



Statutory Requirements



ARS Title 37 Public Lands, Chapter 6 Natural Resource Conservation Districts

- **Link to full Statute:** <https://www.azleg.gov/arsDetail/?title=37>



Financial Reporting Requirements

37-1014. State financial assistance; application; criteria



B. Any district or education center desiring to receive state financial assistance for the next ensuing fiscal year shall apply to the commissioner not later than June 20, on a form supplied by the division of natural resource conservation.

Each application shall include:

1. The number of acres of land lying within the district.
2. The extent of conservation programs or education center programs proposed to be undertaken during the fiscal year for which the financial assistance is being requested.
3. Any audits that are requested by the commissioner.

C. On receipt of the application, the commissioner shall determine whether or not such funds for the district or education center will be included in the budget request for the state land department and shall promptly notify the district of that determination.

Financial Reporting Requirements

37-1053. Powers and duties of supervisors



- ❧ A. The supervisors shall:
 - ❧ 1. Provide for the keeping of a record of all proceedings, resolutions, regulations and orders issued or adopted.
 - ❧ 2. Furnish to the commissioner copies of such ordinances, rules, regulations, orders, contracts, forms or other documents adopted or employed, audits of the district or education center and such information concerning their activities as the commissioner requests.

Liability

37-1053. Powers and duties of supervisors



- ⌘ C. District supervisors shall require and provide for the execution of a corporate surety bond in suitable penal sum for, and to cover, any person entrusted with the care or disposition of district funds or property.



Financial Policy

Policy 37-1053. Powers and duties of supervisors



D. The compensation of the district supervisors shall be determined by the supervisors meeting as the governing body of the district but shall not exceed the compensation prescribed by section 38-611, plus actual and necessary expenses of attending district meetings, and a per diem subsistence allowance and actual and necessary expenses while engaged in official business by order of the supervisors.

Financial Policy



❧ *Guidelines that Regulate Organizational Action*

- ❧ Standard Operating Procedures Outlined in Policy Adopted by Board of Supervisors
 - Financial Planning – Budgeting & Anticipating Expenditures
 - Employee Compensation & Expense Reimbursement
 - Supervisor Compensation & Expense Reimbursement
 - Use of District Equipment & Personal Equipment – While conducting District business
 - Description of **Non-Reimbursable Expenditures**
 - **Ethics & Conflicts of Interest**
 - Assets – Purchase & Disposal
 - Fundraising Guidelines



State of Arizona Public Records Law Title 39



Link to Public Records Law:

<https://www.azleg.gov/arsDetail/?title=39>

Link to Arizona Open Meeting Law 101:

<http://www.aacd1944.com/district-training-materials/>

Link to Arizona Public Records Booklet:

<http://www.aacd1944.com/district-training-materials/>