

TFI Family Services, Inc. PROGRAM PROCEDURE	No. Page 1 of 2
Section: International Adoption Subject: Budget, Audit, Insurance, and Risk Assessment Requirements	
Issue Date: 3/10	Revision Date: 10/13; 10/18
Compliance: Hague 96.33(a)(b)(c)(d)(e)(f)(g)(h)(i)	

Purpose:

To ensure that TFI Family Services, Inc. meets requirements for budget, audit, insurance, and risk assessment.

Procedure:

TFI Family Services, Inc. will operate under a budget approved by its governing body, if applicable, for management of its funds. The budget discloses all remuneration (including perquisites) paid to TFI's board of directors, managers, employees, and supervised providers.

TFI's finances are subject to annual internal review and oversight and are subject to independent audits every four years. TFI submits copies of internal financial review reports for inspection each year.

TFI will submit copies of each audit, as well as any accompanying management letter or qualified opinion letter, for inspection.

TFI will meet the financial reporting requirements of Federal and State laws and regulations.

TFI's balance sheets will show that it operates on a sound financial basis and maintains on average sufficient cash reserves, assets, or other financial resources to meet its operating expenses for two months, taking into account its projected volume of cases and its size, scope, and financial commitments. TFI will have a plan to transfer its intercountry adoption cases if it ceases to provide or is no longer permitted to provide adoption services in intercountry adoption cases. The plan includes provisions for an organized closure and reimbursement to clients of funds paid for services not yet rendered.

If it accepts charitable donations, TFI will have safeguards in place to ensure that such donations do not influence child placement decisions in any way.

TFI will assess the risks it assumes, including by reviewing information on the availability of insurance coverage for intercountry adoption-related activities. TFI will use the assessment to meet the requirement in the following paragraph and as the basis for determining the type and amount of professional, general, directors', and officers', errors and omissions, and other liability insurance to carry.

TFI will maintain professional liability insurance in amounts reasonably related to its exposure to risk, but in no case in an amount less than \$1,000,000 in the aggregate.

TFI's chief executive officer, chief financial officer, and other officers or employees with direct responsibility for financial transactions or financial management of TFI will be bonded.