

**South Arkansas Community
College Foundation, Inc.**



**Board Policy Manual
Last Updated December 2, 2015**

South Arkansas Community College Foundation, Inc.

Policies

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South Arkansas Community College Foundation, Inc.

HISTORY AND PURPOSE

The South Arkansas Community College Foundation is a non-profit, tax-exempt Arkansas corporation reactivated in 1996 which is governed by a group of community members who represent the positive leadership of the community. These directors seek to obtain gifts and grants needed beyond the scope of tax-based funding, and to manage and expend these items for the development of South Arkansas Community College. SouthArk Foundation funds are distributed to benefit and advance the College, and for the encouragement and assistance of its students and faculty.

The purpose of the SouthArk Foundation is to aid, strengthen, and further the educational, literary, and scientific work and services of South Arkansas Community College by seeking, receiving and distributing gifts, bequests and donations, and to account for and manage assets submitted to the Foundation on behalf of South Arkansas Community College and the residents of its service area.

MISSION

The South Arkansas Community College Foundation exists to build leadership, scholarship and partnerships by increasing donor support, rewarding excellence, and elevating the stature and importance of the College locally, regionally and nationally.

VISION

Our vision is to make South Arkansas Community College the cornerstone of lifelong teaching and learning in our community.

South Arkansas Community College Foundation, Inc.

DONOR BILL OF RIGHTS

Philanthropy is based on voluntary action for the common good. It is a tradition of giving and sharing that is primary to the quality of life. To assure that philanthropy merits the respect and trust of the general public, and that donors and prospective donors can have full confidence in the not-for-profit organizations and causes they are asked to support, we declare that all donors have these rights:

- A. To be informed of the organization's mission, of the way the organization intends to use donated resources, and of its capacity to use donations effectively for their intended purposes.
- B. To be informed of the identity of those serving on the organization's governing board, and to expect the board to exercise prudent judgment in its stewardship responsibilities.
- C. To have access to the organization's most recent financial statements.
- D. To be assured their gifts will be used for the purposes for which they were given.
- E. To receive appropriate acknowledgment and recognition.
- F. To be assured that information about their donations is handled with respect and with confidentiality to the extent provided by law.
- G. To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature.
- H. To be informed whether those seeking donations are volunteers, employees of the organization or hired solicitors.
- I. To have the opportunity for their names to be deleted from mailing lists that an organization may intend to share.
- J. To feel free to ask questions when making a donation and to receive prompt, truthful and forthright answers.

The text of this statement in its entirety was developed by the American Association of Fund-Raising Counsel (AAFRC), Association for Healthcare Philanthropy (AHP), Council for Advancement and Support of Education (CASE), and the Association of Fundraising Professionals (AFP).

AFP CODE OF ETHICAL PRINCIPLES AND STANDARDS OF PROFESSIONAL PRACTICE

STATEMENT OF ETHICAL PRINCIPLES

Adopted 1964; amended October 2004

The Association of Fundraising Professionals (AFP) exists to foster the development and growth of fundraising professionals and the profession, to promote high ethical standards in the fundraising profession and to preserve and enhance philanthropy and volunteerism. Members of AFP are motivated by an inner drive to improve the quality of life through the causes they serve. They serve the ideal of philanthropy; are committed to the preservation and enhancement of volunteerism; and hold stewardship of these concepts as the overriding principle of their professional life. They recognize their responsibility to ensure that needed resources are vigorously and ethically sought and that the intent of the donor is honestly fulfilled. To these ends, AFP members embrace certain values that they strive to uphold in performing their responsibilities for generating philanthropic support.

AFP members aspire to:

- practice their profession with integrity, honesty, truthfulness and adherence to the absolute obligation to safeguard the public trust;
- act according to the highest standards and visions of their organization, profession and conscience;
- put philanthropic mission above personal gain;
- inspire others through their own sense of dedication and high purpose;
- improve their professional knowledge and skills, so that their performance will better serve others;
- demonstrate concern for the interests and well-being of individuals affected by their actions;
- value the privacy, freedom of choice and interests of all those affected by their actions;
- foster cultural diversity and pluralistic values, and treat all people with dignity and respect;
- affirm, through personal giving, a commitment to philanthropy and its
- role in society;
- adhere to the spirit as well as the letter of all applicable laws and regulations;
- advocate within their organizations, adherence to all applicable laws and regulations;
- avoid even the appearance of any criminal offense or professional misconduct;
- bring credit to the fundraising profession by their public demeanor;
- encourage colleagues to embrace and practice these ethical principles and standards of professional practice; and
- be aware of the codes of ethics promulgated by other professional organizations that serve philanthropy.

STANDARDS OF PROFESSIONAL PRACTICE

Furthermore, while striving to act according to the above values, AFP members agree to abide by the AFP Standards of Professional Practice, which are adopted and incorporated into the AFP Code of Ethical Principles. Violation of the Standards may subject the member to disciplinary sanctions, including expulsion, as provided in the AFP Ethics Enforcement Procedures.

Professional Obligations

1. Members shall not engage in activities that harm the members' organization, clients, or profession.
2. Members shall not engage in activities that conflict with their fiduciary, ethical, and legal obligations to their organizations and their clients.
3. Members shall effectively disclose all potential and actual conflicts of interest; such disclosure does not preclude or imply ethical impropriety.

4. Members shall not exploit any relationship with a donor, prospect, volunteer, or employee to the benefit of the members or the members' organizations.
5. Members shall comply with all applicable local, state, provincial, and federal civil and criminal laws.
6. Members recognize their individual boundaries of competence and are forthcoming and truthful about their professional experience and qualifications.

Solicitation and Use of Philanthropic Funds

7. Members shall take care to ensure that all solicitation materials are accurate and correctly reflect their organization's mission and use of solicited funds.
8. Members shall take care to ensure that donors receive informed, accurate, and ethical advice about the value and tax implications of potential contributions.
9. Members shall take care to ensure that contributions are used in accordance with donors' intentions.
10. Members shall take care to ensure proper stewardship of philanthropic contributions, including timely reports on the use and management of such funds.
11. Members shall obtain explicit consent by donors before altering the conditions of contributions.

Presentation of Information

12. Members shall not disclose privileged or confidential information to unauthorized parties.
13. Members shall adhere to the principle that all donor and prospect information created by, or on behalf of, an organization is the property of that organization and shall not be transferred or utilized except on behalf of that organization.
14. Members shall give donors the opportunity to have their names removed from lists that are sold to, rented to, or exchanged with other organizations.
15. Members shall, when stating fundraising results, use accurate and consistent accounting methods that conform to the appropriate guidelines adopted by the American Institute of Certified Public Accountants (AICPA)* for the type of organization involved. (* In countries outside of the United States, comparable authority should be utilized.)

Compensation

16. Members shall not accept compensation that is based on a percentage of contributions; nor shall they accept finder's fees.
17. Members may accept performance-based compensation, such as bonuses, provided such bonuses are in accord with prevailing practices within the members' own organizations, and are not based on a percentage of contributions.
18. Members shall not pay finder's fees, or commissions or percentage compensation based on contributions, and shall take care to discourage their organizations from making such payments.

Amended October 2004

The Accountable Nonprofit Organization

The Accountable Nonprofit Organization is a statement of principles to guide charities. It outlines the operations and procedures a nonprofit undertakes to show it is accountable to donors, the people it serves, and the general public. This statement was endorsed by AFP Board in 1995.*

Each nonprofit organization holds a public trust to improve the quality of life.

The accountable organization clearly states its mission and purpose, articulates the needs of those being served, explains how its programs work, how much they cost and what benefits they produce.

The accountable organization freely and accurately shares information about its governance, finances and operations. It is open and inclusive in its procedures, processes and programs consistent with its mission and purpose.

The nonprofit organization is accountable to all those it exists to serve, to all those who support it, and to society.

The accountable nonprofit organization is responsible for mission fulfillment, leadership on behalf of the public interest, stewardship and quality.

The accountable nonprofit is responsible for:

Mission fulfillment

- Doing what it says it will do.
- Maintaining relevance by meeting needs in a changing environment.

Leadership on behalf of the public interest

- Enhancing the well-being of communities and society.
- Promoting inclusiveness, pluralism and diversity within society.
- Educating the public, business, nonprofit organizations and government, including appropriate advocacy and lobbying.

Stewardship

- Maintaining effective governance and management.
- Generating adequate resources, managing resources effectively, supporting and recognizing volunteers, and appropriately compensating staff.
- Avoiding conflict of interest and abuse of power.

Quality

- Striving for and achieving excellence in all aspects of the organization.
- Evaluating the total organization and its outcomes on an ongoing basis.

** The above statement, endorsed by AFP's board in 1995, was developed for nonprofit leaders by participants of Accountability and Nonprofit Organizations, a think tank program held in 1995 at the Mandel Center for Nonprofit Organizations. The think tank was co-sponsored by the National Assembly of Voluntary Health and Social Welfare Organizations and the National Health Council, and supported by a grant from the Lilly Endowment, Inc.*

South Arkansas Community College Foundation, Inc.

BY-LAWS OF SOUTH ARKANSAS COMMUNITY COLLEGE FOUNDATION, INC.

NAME: The name of the organization for which these By-laws are written is “The South Arkansas Community College Foundation, Inc.”, hereinafter referred to as the “Foundation”. The principal office of the corporation shall be located at 300 South West Avenue, El Dorado, Arkansas. The corporation may have such other offices as the Board of Directors may determine from time to time.

ARTICLE I - PURPOSE

The purpose of the corporation is to aid, strengthen, and further in every proper and useful way the work and services of South Arkansas Community College, and to provide broader educational opportunities to its students, staff, faculty and to the residents of Union County.

- A. To solicit, receive, hold and administer gifts for charitable and educational purposes; to act without profit as trustee of educational or charitable trusts; to administer gifts, grants, loans of money or property, real or personal, whether made by or for the benefit of public governmental bodies, state or national, and whether in the form of conventional express trusts or otherwise, invest and reinvest the funds held in trust; to become a party to contracts, trust agreements and instruments of any type or description, and to buy, sell, lease, own, and manage real estate.
- B. The Foundation Board of South Arkansas Community College reserves the right to refuse such proffered gifts if conditions attached thereto be deemed unsatisfactory or unacceptable.
- C. Whenever such gifts or bequests when made as memorials involve maintenance, provisions for such maintenance shall be included in the gift unless this requirement is waived by the Board of Trustees of South Arkansas Community College.

ARTICLE II - BOARD MEMBERSHIP

Section 1- Selection Process

The members of the South Arkansas Community College Foundation Board of Directors shall be elected by the Foundation Board and ratified by the South Arkansas Community College Board of Trustees. Any vacancy on the Foundation Board occurring because of death, resignation, removal or other cause shall be filled for the remainder of the term of office by a person appointed by the Foundation of South Arkansas Community College.

Section 2 - Terms of Office

Members of the Board of Directors shall serve a three-year term subject to the following provisions:

- A. The Foundation Board of South Arkansas Community College may choose to stagger terms of office, making elections of certain members for one year, certain members for two years and certain members

for three years.

B. There shall be no limit on the number of terms a director may serve.

Section 3 - Director Emeritus Status

The South Arkansas Community College Board of Trustees may designate specific trustees to serve for life as director emeritus. Such director shall not count as a member for purposes of a quorum and shall have no right to vote at a meeting of the Board of Directors.

Section 4 - Removal from Office

A member of the Board of Directors may be removed for cause as provided in these By-Laws.

Section 5 - Qualifications

Members of the Board of Directors are to be those who have indicated an intense interest and support for South Arkansas Community College.

Section 6 - Number of Directors

The number of directors on the Board of Directors shall be a maximum of twenty-five (25), to include ex-officio members, provided that the South Arkansas Community College Foundation may from time to time increase or decrease this number to the end result that there shall be no less than twelve (12) and no more than twenty-five (25) directors. No more than one member of the Board of Trustees of South Arkansas Community College shall also be a member of the Board of Directors. The President and Vice President of Fiscal Affairs of South Arkansas Community College shall be ex-officio (non-voting) members of the Board of Directors. No employee of the College may be a voting member of the Foundation. Directors shall serve their term of office or until their respective successors have been elected or ratified.

Section 7 - Regular Meeting Schedule & Provision for Special Meetings

The Board of Directors shall meet at least four times annually. The first quarterly meeting of the Board of Directors each year shall be conducted as the annual meeting. Board of Directors meetings shall be held at South Arkansas Community College on the fourth (4th) Wednesday of the month, provided that the Board of Directors may change this date from time to time. A notice of the quarterly meetings shall be sent to each director by any usual means of communication at least three days prior to the meeting. The notice shall state the time and place of the meeting. Notice of the meeting may be waived by any director before or after each meeting. The presence of any director at such meeting shall be held to be a waiver of the required notice.

In addition to the regular meetings of the Board of Directors, a *special meeting* may be called from time to time by the President of the Foundation (or by the Secretary of the Foundation upon the request of the President of the Foundation), or by two members of the Board of Directors.

Notice of special meetings of the Board of Directors shall be given by any usual means of communication at least three days before such meetings. The notice shall stipulate the time and place of such meeting and the purpose of such meeting, provided that this shall not prohibit other routine business from being conducted at this meeting even though the subject matter of this meeting was not contained in the notice. Notice of the meeting may be waived by any director before or after such meeting. The presence of any director at any such meeting shall be held to be a waiver of the required notice.

Section 8 - Quorum

A majority of the Board of Directors of the corporation entitled to vote shall constitute a quorum at any regular or special meeting of the Board. All actions shall be determined by a majority vote. A majority vote is defined as a majority of a quorum.

Section 9 - Decision-Making

Except as otherwise provided in this Section, the act of the majority of the directors present at any regular or special meeting at which a quorum is present shall be the act of the Board of Directors. However, the vote of a majority of the entire Board of Directors shall be required to remove a member, an officer, to amend the Articles of Incorporation, to amend the By-laws or to adopt a resolution dissolving the Foundation.

Action taken by a majority of the Board of Directors without a formal meeting is, and shall be, the action of the Board of Directors if written consent to the action in question is supplied by all the directors and filed with the minutes of the Board of Directors, whether done before or after such action is taken.

Section 10 - Attendance

Following three consecutive absences, the Board may elect to terminate a member's position on the South Arkansas Community College Foundation.

Section 11 - Proxies/Mean of Voting

A voting member of the Board of Directors may appoint another voting member of the Board of Directors to act on his/her behalf by means of a written proxy, a copy of which shall be delivered to the meeting at which the appointed member is to act on behalf of the appointing member. Proxies shall be valid only for a single meeting. In the discretion of the President of the Corporation, and in conjunction with a validly convened meeting of the Board of Directors, votes may be submitted by facsimile, regular mail or electronic mail as well as orally or by a show of hands.

ARTICLE III - OFFICERS

Section 1 - Titles and Selection Process

The officers of the corporation shall consist of a president, vice-president, secretary, and treasurer. All officers shall be selected from the membership of the Board of Directors. Officers that are employed by the College will be ex-officio and have no voting privileges.

The officers shall be elected by the Board of Directors annually at the first meeting of each year. Each officer shall hold his/her respective office for one year, or until his/her successor is elected and qualified, unless the officer is removed. Any person holding office may be elected to succeed himself/herself in that office for a subsequent term or terms, or in some other office of the corporation.

Section 2 - Removal from Office

An officer may be removed by the Board of Directors for cause.

Section 3 - Vacancies

If any vacancy of an officer exists by reason of death, resignation, removal or otherwise, the Board of Directors may elect a successor officer to serve until the next annual meeting of the Board of Directors.

Section 4 - Duties of the President

The President shall preside at all meetings of the Board of Directors and of the executive committee. He/she shall have general supervision of the affairs of the corporation and shall sign deeds, mortgages, bonds, contracts or other instruments which may be lawfully executed on behalf of the corporation, except where required or permitted by law to be otherwise signed and executed, and except where signing and execution thereof shall be delegated by the Board of Directors to some other office or agent. In general, the President shall perform all executive duties as may from time to time be prescribed by the Board of Directors.

Section 5 - Duties of the Vice President

The Vice-President shall perform all the duties of the President in the event of the absence or disability of the President. He/she shall perform such other duties as are required by the Board of Directors.

Section 6 - Duties of the Secretary

The Secretary shall keep accurate records of the acts and proceedings of all meetings of the Board of Directors, shall give notice of all meetings of which such are required, shall keep an accurate list of the directors of the corporation and shall have authority to certify any records, or copies of the records of the corporation. In addition, he/she shall perform any other duties as are required by the Board of Directors.

Section 7 - Duties of the Treasurer

The Treasurer of the corporation shall collect and keep an account of all monies received and expended for the use of the corporation, shall deposit sums received by the corporation in the name of the corporation in such depositories as shall be approved by the Board of Directors, shall make reports of the finances of the corporation to the President of the Board of Directors, whenever required, and shall perform such other duties as are required by the Board of Directors. The funds, books, and other records in the possession of the Treasurer shall at all times be subject to the inspection, supervision, and control of the Board of Directors. The Board of Directors shall require periodic audit to be performed on corporate accounts. At the expiration of his/her term of office, the Treasurer shall turn over to his/her successor in office all funds, books, records and other property of the corporation in his/her possession. Deposits of the Treasurer or the Treasurer's designee shall be subject to withdrawal only upon signature of the Treasurer and such other person or persons as the Board of Directors may specifically authorize and direct. The Treasurer may be required to furnish bond, with a satisfactory corporate surety, for the performance of his/her duties and the handling of the financial resources of the corporation in such an amount and at such times as the Board of Directors may require, the premium of such bond to be paid by the corporation.

AUDITING OF ACCOUNTS: An external entity with persons not connected to the Foundation, board of trustees, or College employees, will audit the Foundation records at the end of each fiscal year.

FISCAL YEAR: The Foundation fiscal year is July 1 through June 30.

Section 8 - Duties of the Foundation Executive Director

The Executive Director of the Foundation of this corporation shall direct and supervise the activities of the corporation, subject to the control of the Board of Directors, and under the supervision of the College President, and he/she shall perform such other duties as are required by the Board of Directors and by the College President.

INDEMNIFICATION/LIABILITY INSURANCE: On approval by the Board, liability insurance may be requested to indemnify members to the amount of Foundation holdings. The cost of this insurance is to be paid by the Foundation.

ARTICLE IV - COMMITTEES

Section 1 - Established Committees

Executive Committee

The corporation shall have an executive committee which shall have and exercise all powers of the Board of Directors of the corporation between meetings of the said Board and review all matters to go before the Board. Written reports of the actions of the executive committee shall be submitted to the Board of Directors at its next meeting following the actions of the executive committee. The executive committee shall consist of the President of the corporation, who shall preside at all meetings thereof, the Vice-President of the corporation, the Secretary, the Treasurer, and the chairpersons of the standing committees as elected by said Board at its annual meeting. The members of the executive committee shall be elected annually at the first quarterly meeting of each year and shall serve for one year or until their successors have been elected by the Board of Directors.

Committee Structure

The four working committees of the Foundation Board include: 1) Executive, 2) Finance, 3) Board Development 4) Gifts, and 5) Special Events. Each Foundation Board of Director is nominated to serve on one of the four working committees by the Board Development Committee. Committee membership is confirmed annually at the first quarterly meeting of each year, and members shall serve for one year or until their successors have been elected by the Board of Directors. Committees are expected to meet prior to the quarterly Foundation Board meeting. Committee reports will be a part of the quarterly meeting agenda.

Finance Committee

The Finance Committee shall provide counsel and advice concerning the management of the Foundation's endowment and charitable trust funds; establish investment goals, objectives, and policies that ensure prudent management of such funds; review and monitor the progress of interest income earned and the distribution and/or reinvestment of that income; and provide counsel and advice regarding purchases and sales of fixed and equity securities.

Board Development Committee

The Board Development Committee shall identify, cultivate, recruit, and orient board members; annually evaluate Foundation board; nominate the board's slate of officers; and nominate the chair and membership of the standing committees.

Gifts Committee

The Gifts Committee shall provide counsel, advice, and support for the organization's annual giving program, which may involve annual fundraising campaigns, direct mail programs, alumni programs and activities, phone-a-thons, and other annual fundraising efforts.

The Gifts Committee shall also assist in identifying prospective donors considered capable of giving significant gifts on an annual basis or through planned giving; provide counsel, advice, and support for the organization's ongoing major and planned gifts program, assist in building the college's endowment, particularly through planned gifts; and cultivate and solicit prospects considered capable of making major and planned gifts.

Special Events

The Special Events Committee shall raise public awareness of the need and case for support from the public and develop materials and events to accomplish their goals using reasonable resources; assist in obtaining

sponsorships, create prospective guest lists, and assist with marketing and publicity where appropriate. The special events used to meet these ends will include limited (usually no more than two) major events directly organized and executed by this board committee.

Section 2 - Other Committees

The Board of Directors may, from time to time, authorize the creation of committees, boards, funds or councils; may determine whether or not the members of such bodies must be selected from within or without the directors of the corporation, and (to the extent permitted by law) may invest such bodies with such powers and duties as it deems necessary. The Board of Directors may designate the members of such bodies or may authorize the President to designate them to such bodies.

ARTICLE V - GENERAL PROVISIONS

Section 1 - Compensation

The officers and directors of this corporation shall serve without compensation, except the Board of Directors may provide for reimbursement of an officer or director who has incurred expenses in the performance of his/her duties.

Section 2 Authorization of Expenditures

All checks, drafts or other orders for payment of money issued in the name of the corporation shall be signed by the Treasurer or the Treasurer's designee and by one other eligible officer as determined by resolution of the Board of Directors.

Section 3 - Deposits

All funds of the corporation shall, unless otherwise employed, be deposited within five days to the credit of the corporation in such depository as the Board of Directors shall direct.

Section 4 - Amendments to the By-Laws

These By-Laws may be amended from time to time by a majority of the Board of Directors then holding office at any regular or special meeting of the Board of Directors.

South Arkansas Community College Foundation, Inc.

BUDGETING AND EXPENDITURE POLICIES

I. Budget Development

- A. THE EXECUTIVE DIRECTOR OF THE FOUNDATION DEVELOPS AN ANNUAL BUDGET THAT REFLECTS THE OPERATIONAL NEEDS OF THE FOUNDATION
- B. THE BUDGET INCLUDES UNRESTRICTED, TEMPORARILY RESTRICTED, AND RESTRICTED FUNDS.
 1. UNRESTRICTED DEVELOPMENT GUIDELINES
 - a. ADEQUATE FUNDS ARE BUDGETED TO PROVIDE FOR THE MANAGEMENT AND OPERATION OF THE FUND.
 - b. FUNDS ARE BUDGETED THAT PROMOTE THE COLLEGE'S MISSION AND VALUES.
 - c. ADEQUATE FUNDS ARE BUDGETED FOR THE SUPPORT OF FUNCTIONS, EVENTS, GIFTS, ETC, THAT FURTHER THE MISSION OF THE FOUNDATION AND THE COLLEGE. THESE ARE EXPENDED AT THE DISCRETION OF THE FOUNDATION BOARD OF DIRECTORS AND INCLUDE ITEMS SUCH AS CARDS, GIFTS, FOOD, FLOWERS, ETC.
 2. RESTRICTED DEVELOPMENT GUIDELINES
 - a. TEMPORARY RESTRICTED FUNDS ARE BUDGETED IN ACCORDANCE WITH DESIGNATIONS.
 - b. RESTRICTED FUNDS ARE BUDGETED IN ACCORDANCE WITH DESIGNATIONS.

II. Budget Approval

- A. THE BUDGET RECOMMENDATION IS SUBMITTED TO THE FOUNDATION FINANCE AND EXECUTIVE COMMITTEE FOR REVIEW, DISCUSSION, AND FINALIZATION.
- B. THE BUDGET RECOMMENDATION IS SUBMITTED TO THE FOUNDATION BOARD OF DIRECTORS FOR REVIEW AND APPROVAL.

III. Expenditures

- A. Expenditures are made in accordance with College procedures for purchasing. Scholarship and tuition funds are awarded by the College Scholarship Committee in accordance with College Scholarship and department of Financial Aid policies and endowment or Foundation restrictions. **Note:** General College policies for scholarship eligibility must be met in concert with scholarship endowment restrictions. Scholarship and grant awardees are forwarded a letter of notification with a memorandum of acceptance. The memorandum outlines the terms of the award, including:
 - amount
 - requirements
 - amount by semester
 - date that award must be accepted by
 - awardees' signature and date, signifying acceptance
 - requirement to send a thank you letter to the donor

- B. The College President, Executive Director of the Foundation, and the directors authorize the expenditure of funds as budgeted and as governed by Foundation restrictions. Two signatures, one from a Foundation officer and one from the College controller or the Vice-President of Fiscal Affairs, are required on each signed check.

South Arkansas Community College Foundation, Inc.

INVESTMENT POLICY

- I. Purpose.** The purpose of this Investment Policy is to provide guidelines for the management of assets held by the South Arkansas Community College Foundation, Inc. (herein called Foundation).
- II. Investment Objective.** The fundamental goal of the investment policy is to ensure the preservation and safety of the Foundation's capital while maximizing the return on Foundation assets.
- III. Finance Committee.** Authority to invest funds on behalf of the Foundation shall be vested in the Foundation Finance Committee (herein called Finance Committee), which will be made up of a minimum of five members named by the Foundation Board of Directors (herein called Board of Directors). A quorum of three members must be present before investment decisions are made or at such time as such authority is delegated to a duly authorized agent or representative on behalf of the Board of Directors. The Finance Committee shall provide recommendations to the Board of Directors in support of the Investment Policy objectives. Specific functions of this committee are:
- A. To develop and recommend revisions to the Investment Policy from time-to-time.
 - B. To recommend to the Board of Directors the hiring and termination of managers, brokers, and/or agents.
 - C. To seek professional advice and/or service in support of the needs of the Foundation.
 - D. To recommend an asset allocation model with the proper mix of cash equivalents, fixed income, and equity securities. The asset allocation shall maximize income and appreciation while offering a reasonable model and prudent security of principal.
 - E. To provide to the Board of Directors an investment report at each regularly scheduled meeting.
 - F. To review the portfolio of investments and make recommendations as needed.
 - G. Except as otherwise noted, the Finance committee, on behalf of the Board of Directors, shall be authorized to implement and administer the Foundation portfolio in accordance with this policy.
- IV. Ethics.** Committee members, Directors and employees of the South Arkansas Community College Foundation involved in the investment process shall refrain from personal business activities that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions. All ethics rules and laws of the state of Arkansas are hereby included in this policy by reference.
- V. Collateralization of Cash and Certificates of Deposits**
- A. All cash accounts and certificates of deposit shall be collateralized for amounts exceeding FDIC insurance coverage.
 - B. Suitable collateral shall be marketable securities with a known value that are issued or backed by federal, state or local governments.

VI. Type of Investments.

- A. Certificates of Deposit are authorized to the extent of Federal Deposit Insurance Corporation (FDIC) insurance coverage and pledged collateral. Short-term investments will be with area financial institutions provided rates are competitive.
- B. United States Treasury bills and notes and United States agency securities are authorized.
- C. Stocks shall be those listed for public exchange with a Standard and Poor's rating of B+ or better. Stock investments should be diversified by industry, capitalization size, relative value and nature of origin. No more than fifteen percent (15%) shall be invested in any one industry and no more than five percent (5%) invested in any one company. The percentage limitations may not apply to donated stock where restrictions have been imposed by the donor.
- D. Bonds shall not have a rating of less than A by Standard and Poor's and Moody services. The average maturity or duration of securities in the fixed income security portfolio shall not exceed ten years. Maturities may extend beyond ten years.
- E. Mutual funds shall be in the top 50% of the Morningstar rating for their category in the previous five and ten year periods.
- F. The Foundation shall not invest in the following: Puts, Calls, Straddles, Hedging, Short Calls, Derivatives, Letter Stock, Restricted Stock, Private Placements, Pink Sheets, or any Market Public Equities which would limit and restrict its legality or in a normal market.

VII. Asset Allocation. The Finance Committee shall recommend the asset allocation to the Foundation board of directors. The asset allocation limitations that follow are designed to provide the Finance Committee sufficient latitude to structure the portfolio based upon expected rates of return and risk estimates while at the same time insuring adequate diversification and preservation of capital. Any deviation from the stated asset allocation ranges must have specific approval of the Foundation's board of directors.

	Minimum	Maximum	Target
Cash Equivalent	10%	20%	10%
Fixed Income	30%	50%	40%
Equities	40%	65%	50%

Asset allocation shall be determined on the basis of total market value.

In the event that the above aggregate asset allocation guidelines are violated, for reasons including but not limited to market price fluctuations, the Finance Committee will bring the aggregate portfolios into compliance with these guidelines as promptly and prudently as possible.

VIII. Spending Policy. It is the policy of the Foundation to annually distribute, for support of College programs, not more than 5% of a trailing three-year average of the endowment's total asset value. This

trailing three year average shall be calculated using the previous three fiscal years ending on June 30. The original endowed amount will never be invaded for distributions.

The spend rate is inclusive of the administrative fee which is calculated as follows: 1% on fund balances equal to or greater than \$10,000; \$50 annually on fund balances less than \$10,000.

The Finance Committee shall annually review the spending rate against actual returns and make recommendations to the Foundation Board of Directors, who shall annually approve the spending policy.

IX. Investment Managers, Brokers, and/or Agents South Arkansas Community College Foundation may utilize the services of external Investment Manager(s), Broker(s), and/or Agent(s) (IM/B/A) to assist in the management of the portfolio. The Finance Committee with periodic review and approval by the Board of Directors shall determine the number of managers and the amount of funds under their management. This periodic review will occur every seven years or earlier at the discretion of the Finance Committee and with approval by the Board of Directors. The Foundation will internally manage those funds that because of size or value cannot feasibly or economically be managed by external advisors.

External Investment Manager(s), Broker(s), and/or Agent(s) (IM/B/A) will be selected from strongly established and financially sound organizations that have a proven and demonstrated record in managing funds consistent with the needs of the Foundation. Selection of IM/B/A will depend of factors established by the Finance Committee.

The services to be provided by IM/B/A shall be specified in written agreement(s). IM/B/A are generally authorized to vote proxies on the Foundation's behalf. In cases in which the Foundation desires to vote proxies related to specific topics, it will notify IM/B/A.

In general, managers should avoid any transaction that could generate unrelated business income tax (UBIT).

Reporting Requirements. Any retained IM/B/A will provide the Committee with a written statement containing all of the pertinent transaction details for each separately managed fund as follows:

Monthly – (1) The name and quantity of each security purchased or sold, with the price and transaction date. An analysis for each security with its description, percentage of total portfolio, purchase date, quantity, average cost basis, current market value, unrealized gain or loss, and indicated annual income and yield, (2) an analysis for the entire portfolio of the current asset allocation by investment category, (equities, fixed income, and cash equivalents).

Periodically – Quarterly, or more frequently at the request of the Committee, any retained IM/B/A shall provide the Committee detailed information about (1) asset allocation, (2) investment performance, (3) future investment strategies, (4) each IM/B/A performance measured against index benchmarks and peers for relevant periods, and (5) any other matters of interest to the Committee.

Annually – Any retained IM/B/A shall provide a report to the Board of Directors on the investment performance of the entire portfolio, as well as the performance of each of the funds making up the total.

General Policies.

- A. Some monies are planned for immediate expenditures and receive no interest. Also, other funds designated by the Board of Directors may not receive interest.
- B. Bidding to obtain the best rate of return may be utilized when feasible.

X. Investment Policy Review. Investment objectives and performance of the various custodial funds will be reviewed periodically and not less than annually by the full Board of Directors of the Foundation, its auditors or their assigns.

South Arkansas Community College Foundation, Inc.

GIFT ACCEPTANCE POLICY

I. Purpose

This policy defines gifts accepted by the South Arkansas Community College Foundation, Inc. (SouthArk Foundation) and the process and specifics related to gift acceptance.

Note: The SouthArk Foundation reserves the right to treat each gift on an individual basis, and thereby reserves the right to accept, reject, or modify any agreement and/or gift.

II. Conflict of Interest

In all matters involving current and prospective donors to the SouthArk Foundation, the interests of donors shall come before that of the Foundation. No program, agreement, trust, contract, or any other commitment shall be urged upon any prospective donor which would benefit the Foundation at the expense of the interest of the donor. No agreement shall be made between the Foundation and any agency, company, or organization on any matter which would knowingly jeopardize the interests of any donor.

In keeping with this policy, all personnel empowered by the College or the Foundation to solicit gifts shall not receive any commission which might give the personnel an undesired personal interest in gift solicitation.

Consistent with the ethical standards and guidelines of the Council for the Advancement and Support of Education and the National Society of Fund Raising Executives, personnel of the Foundation and the College will, to the best of their ability, inform potential donors of all relevant issues pertaining to any gift transaction under consideration.

III. Professional Advisors

The Foundation will seek the advice of professional advisors when appropriate. No legal document which binds the College or the Foundation shall be executed without such advice. Likewise, all prospective donors shall be advised, and in all cases urged, to seek the counsel of their personal professional advisors, especially in areas relating to tax advice. The role of College and Foundation personnel is to inform, cultivate, serve, guide, and otherwise assist donors and potential donors. At no time shall any person employed by the College or the Foundation unduly pressure or persuade a donor or potential donor, nor shall any employee give any advice or counsel which may be considered to be legal or financial in nature. Such function is for counsel who alone must bear responsibility for all legal or financial conclusions and advice.

IV. Authority

The authority to negotiate for and to solicit gifts in general for the benefit of the Foundation shall be vested in the College President, the Foundation President, and the Executive Director of the Foundation and any other persons who may later be designated by the Foundation Board of Directors.

Any gift -- current or deferred -- may require a written agreement. These agreements shall be signed by a Foundation Board of Director.

V. Procedure for Soliciting Gifts

The Executive Director of the Foundation is responsible for coordinating and gift solicitation and fund raising activities for the College and the Foundation. The Foundation office acts as a clearing house for fund raising and the solicitation of funds from all areas and related entities within the College. Solicitations for money, in-kind items and any other donations must be approved through the Foundation office. Review of such items will ensure that potential donors are not being solicited from more than one College entity to enable the Foundation office to manage multiple fundraisers/solicitations of funds/items

- A. Employees, students, sponsors of student organizations and related College entities should contact the Executive Director of the Foundation prior to soliciting funds or gifts.
- B. Solicitations for money, in-kind items and any other donations must be approved through the Foundation office. A list of potential donors to be solicited and type of gift should be submitted with each request. Review of such items will ensure that potential donors are not being solicited from more than one College organization and will enable the Executive Director of the Foundation to manage multiple fundraisers solicitations of funds.
- C. A completed form should be submitted to the SouthArk Foundation Office one week prior to the gift solicitation or fundraising activity.

VI. Confidentiality

Donors may, from time to time, want to notify the Foundation in writing or orally of all gifts which they may be contemplating, especially those which may relate to their estate planning. Any such information received by the Foundation shall be kept confidential until such time as the donor gives permission for disclosure. The Foundation does not share its mailing list nor any donor information with other organizations or any individuals outside of the Foundation office. The Foundation periodically publishes the names of its donors. Donors who do not want their information to be shared may notify the Foundation by mail at SouthArk Foundation.

VII. Custody

The Foundation Office of the College will be the custodian of certificates, cash, receipts, agreements, and other original documents regarding gifts.

VIII. Trusts, Assets, and Management

Neither the Foundation, its employees, nor any employee of the College shall serve as a trustee, trust manager, nor investment manager of any trust which may be established of which the Foundation is a beneficiary.

Compliance with the investment policies will be the responsibility of the Foundation Board. The President, Vice President of Fiscal Affairs and Executive Director of the Foundation shall have no vote in these matters.

IX. Notification of Life Income Gifts

In the event a donor wishes to establish a Charitable Gift Annuity with the Foundation, the percentage of income to be paid to the donor will be consistent with procedures set forth under Arkansas law and regulations. Arkansas law requires the use of the Charitable Gift Annuities rate as determined and published by the American Council on Gift Annuities.

X. Gift Acceptance Guidelines for Outright Gifts

It is the policy of the Foundation to accept gifts of cash, security and property to be used for the greatest good of the College. The designated entity for acceptance of such gifts is the Foundation Office. All gifts solicited or unsolicited of money, gifts-in-kind, and /or services of any description to the College shall be immediately reported to the Foundation Office. Documentation of the gift will then be recorded by the Foundation Office. If the gift is in the form of a check or cash payment, the gift shall then be delivered to the Business Office for deposit and receipt. The responsibility of determining value for IRS purposes is the responsibility of the donor. Gifts received by any College personnel should be delivered immediately (the same day), if possible, to the Foundation Office.

- A. Gifts of Cash. Checks and cash will be receipted to the proper fund and are deposited daily. Receipts will be mailed to the donor within five working days of receiving the gift. Matching gifts from employers are credited to the donor for giving level recognition but receipts are sent to the company. Checks should be made payable to the South Arkansas Community College Foundation. Current gifts in the form of cash and pledges will be counted at actual gift and pledge levels when accompanied by a copy of the appropriate gift documentation.
- B. Gifts of Securities. Stocks, bonds, notes or other instruments for which value can be determined in the financial market place should be made payable to the SouthArk Foundation. Internal Revenue Service guidelines are followed in establishing the value of donated securities. It is the responsibility of the Executive/Finance Committee of the Foundation Board to account for the securities and, when appropriate, contact brokers regarding the disposition of such securities. All gifts of securities will be sold upon receipt, unless otherwise specified by the donor. If the securities are not listed with a broker, the unendorsed certificates should be mailed to the College Controller. The signed signature guaranteed stock power should be mailed in a separate envelope by registered mail, if possible. Stocks, bonds, and other negotiable securities will be counted at the mean between the high and low on the date of the gift. The value of the gift is not altered by losses or gains at the time of actual sale of the securities nor by brokerage or other expenses.
- C. Gifts of Real Property. When gifts of real property are made to the Foundation, the acceptance of those gifts shall be in a manner consistent with the stated College policy regarding land acquisition and acceptance as set forth by the trustees of the College. Gifts of real and personal property with a value of above \$5,000 will be recorded at the fair market value as determined by an appraisal (obtained by the donor) which qualifies under the current Internal Revenue Service guidelines at the time of the gift. Otherwise, the gift will be recorded as a gift-in-kind without a dollar amount. Donors are expected to take any and all reasonable efforts for the transfer of title to the SouthArk Foundation. In addition, the following guidelines and restrictions shall generally apply:

1. Donated real estate shall be free of all restrictions and encumbrances. The title to the property should be clear and unencumbered.
2. Restrictive covenants for the use of property shall be evaluated by the Foundation Directors. The evaluation shall be to determine factors such as limitation on marketability of the property. Prior to the acceptance of any real property which is subject to any restrictive covenant(s), approval of the Executive Committee of the Foundation must be obtained.
3. Real property which does not produce income is unacceptable. However, the Finance Committee of the Foundation may recommend an exception should they feel the benefit to the Foundation will exceed any costs that may accrue.
4. If the real property to be given is encumbered by a lease, acceptance of the gift will occur only after review of the lease by legal counsel, who will make a determination of the Foundation's benefits and liabilities.
5. Environmental concerns shall be satisfactorily addressed. If appropriate, an environmental audit and property warranties and indemnification from the donor shall be secured.
6. All transfer costs, including warranty, title insurance, and appraisal (where required) shall be the responsibility of the donor, unless otherwise specified by the Foundation.
7. Proposed life estate retained agreements shall be approved by the Foundation Board on a case by case basis.
8. Title to gift property should be made to the SouthArk Foundation.
9. The SouthArk Foundation will not accept a gift making it a principal in a joint venture or business activity in which it participates fully in the risks of operation, and has more than limited liability for the conduct of the business (e.g. as a general partner, principal in a joint venture or as an owner of a working interest).
10. The Foundation is free to sell or liquidate any gift of property at any time (unless otherwise agreed in writing). Its intention to either resell the property or to retain and use it to further its charitable activities should be made clear to the donor at time of the gift. The Foundation will not hold gift property for more than two years simply to circumvent the IRS tax reporting requirements.

- D. Gifts of Personal Property. Gifts of personal property (i.e. antiques, works of art, collections, etc.) are all welcomed by the College with approval from the College President, Foundation President, and Executive Director of the Foundation. The donor is responsible for securing appraisals on such property according to Internal Revenue Service guidelines. The Executive Committee of the Foundation has final approval of all gifts. Gifts may be loaned for display or use by College employees on College premises only. The Foundation retains all rights and ownership to these gifts.
- E. Gifts of Equipment. Gifts of equipment are welcomed by the Foundation. When such equipment requires additional and/or ongoing maintenance that is not budgeted, prior approval must be received from the Foundation President and College President. Equipment intended primarily for the College's benefit shall be donated directly to the College. Equipment accepted to be used by the College must be in accordance with the College's equipment plan.
- F. Challenge Gifts or Pledges. Challenge gifts or pledges requiring matching funds raised by the College are welcome, but the gifts must receive prior approval from the College before a commitment to raise matching dollars is made. The Foundation and College reserves the right to treat each gift on an individual basis, and thereby reserves the right to accept, reject, or modify any agreement and or gift.

XI. Gift Accounting Procedures for Outright Gifts

- A. Cash and Cash Pledges. Current gifts in the form of cash and pledges will be counted at actual gift and pledge levels when accompanied by a copy of the appropriate gift documentation.
- B. Securities. Stocks, bonds, and other negotiable securities will be counted at the mean between the high and low on the date of the gift. The value of the gift is not altered by losses or gains at the time of actual sale or the securities nor by brokerage or other expenses.
- C. Real and Personal Property. Gifts of real and personal property with a value of above \$5,000 will be recorded at the fair market value as determined by an appraisal (obtained by the donor), which qualifies under Internal Revenue Service guidelines at the time of the gift. Otherwise, the gift will be recorded as a gift-in-kind without a dollar amount. Donors are encouraged to obtain an appraisal for their tax purposes. Donors are expected to take any and all reasonable efforts for the transfer of title to the SouthArk Foundation.
- D. Gifts of Equipment. Gifts of equipment will be receipted as outlined in gifts of real and personal property.
- E. Challenge Gifts. Challenge gifts will be receipted as outlined in gifts of cash.

XII. Gift Accounting Procedures for Deferred and Life Income Gifts

- A. Irrevocable Deferred Gifts. Charitable remainder gifts, including pooled income funds, charitable remainder trusts, and gift annuities, will be valued at the fair market value of the assets on the date of the gift.
- B. Charitable Lead Trusts. Trusts which pay an annual income to the College, but which make no commitments regarding the future distribution of principal should be valued by the following method:
 - If the trust pays a fixed annual yield, the gift value is determined by multiplying the annual return by the actual number of years that the trust is set up to run.
 - If the trust pays a variable rate, the gift value will be determined on the basis of a 5 percent rate of return on the principal, for the number of years of the trust. In the case of a trust, the term of which is based on the life of an individual, the term remaining shall be the life expectancy of such a person.
- C. Trusts Administered by Others. Charitable Remainder Trusts administered by others on behalf of the College will be credited for the value of the remainder interest as determined for tax deduction purposes.
- D. Wills and Living Trusts. Provisions in wills and living trusts will be recorded at the discounted dollar value of the pledge note according to the following standard. If the donor is under 40 years of age, no gift credit will be recorded; over the age of 60 years, full value will be credited; between the ages of 40 and 60, 5 percent per year will be recorded. Thus an individual who is 55 years old, will have 75 percent ($55-40=15 \times 5\%=75\%$) of the Pledge Note.
- E. Life Insurance. The College may be named either irrevocable or revocable beneficiary in life insurance policies depending upon ownership. When not the owners of a policy -- when the gift is revocable -- it will be recorded as a future Revocable Deferred Gift. Irrevocable beneficiary designations in life insurance policies will be recorded as follows:

- Paid Up Policies: When no further premiums are due on policies, death benefit value will be recorded according to the same discounted formula presented in Wills and Living Trusts.
- Premiums remaining to be paid: If premium remains to be paid, its fair market value is the “interpolated terminal reserve” value of the policy, plus the part of the last premium payment that covers any period beyond the date of the gift. (Interpolated terminal reserve is usually an amount slightly higher than the cash surrender value.)

The College reserves the right to treat each gift on an individual basis, and thereby reserves the right to accept, reject, or modify any agreement or gift.

XIII. Matching Gifts

All corporation matching gifts forms are to be sent to the matching corporation's Chief Fiscal Officer or designated corporate representative for execution according to rules set by the corporation or foundation for the employee match. The following should be verified that the gift was received.

- A. That the gift was made in accordance with guidelines of the corporation requested to match the gift.
- B. That the donor is eligible for a matching gift according to the corporation's policies (for example, a spouse's gift, gifts from other members of the family, gifts in kind, etc.)
- C. That the use for which the match is intended is legitimate under the corporation's guidelines.
Generally gifts from corporations are unrestricted and are given to the institution to apply in any way desired.

XIV. Compliance

At all times, the Foundation will fully comply with the regulations of the Internal Revenue Service and other regulatory agencies regarding reports and accounting which must be made. These policies are not intended to amend or replace the Foundation policies regarding investments. These policies should be viewed as complimentary to the investment policies.

XV. Acknowledging, Recording and Reporting all Gifts

The SouthArk Foundation office will:

- A. Record the following:
 - 1. Name and address of the donor
 - 2. Amount and purpose of the monetary gift or description of a non-cash gift.
 - 3. Upon receipt of this information, the Executive Director of the Foundation will send the donor a letter of acknowledgement within five working days.
- B. Send the donor an acknowledgement/tax letter along with a Foundation receipt.
- C. Maintain a record of all gifts and donors.
- D. Deliver to the appropriate office for deposit.

XVI. Definition of Terms

Endowed Funds

Gifts designated toward specified areas by the donor, which are consistent with College planning directions and requiring funding beyond base funding sources for excellence desired. Endowment requirements vary according to the fund.

- **Scholarship Endowment:** This fund has been established to assist students with financing their education. These endowments may be used for various majors and disciplines as indicated by the donor.

Donor Recognition Levels

Lifetime Giving

Cumulative gifts of lifelong giving supporters are recognized through Giving Societies - each time donors make a gift to the Foundation, that gift is applied toward their giving record, qualifying them for one of these Giving Societies. Names of donors whose cumulative giving totals \$1,000 or more are placed on the Donor Wall of Honor, located in the Hall of Philanthropy.

Founder's Society \$1,000,000 and up	Platinum Society \$1,000-\$2,499
Pathway Society \$100,000 - \$999,999	Gold Society \$500-\$999
Vanguard Society \$50,000 – \$99,999	Silver Society \$250-\$499
Cornerstone Society \$25,000 – \$49,999	Bronze Society \$100-\$249
President's Society \$10,000 – \$24,999	Crystal Society \$1-\$99

These levels are cumulative giving levels for each donor. Once a donor reaches the level of \$250,000, building naming opportunities may be available.

XVII. Amendments

These policies may be amended from time to time as determined to be appropriate by the Foundation Directors, provided, however, that these policies shall be reviewed no less often than every two (2) years.

South Arkansas Community College Foundation, Inc.

NAMING POLICY

POLICY FOR FACILITIES, PROGRAMS, AND SUPPORT FUNDS

I. Introduction

The South Arkansas Community College Foundation seeks private funds to enhance the South Arkansas Community College's ability to meet the higher education needs of the community, particularly toward a level of excellence that would otherwise not be possible given state funding levels and restraints on student tuition and fees. To that end, the SouthArk Foundation seeks to provide appropriate recognition to donors for their generosity. Although such recognition may take many forms, this policy seeks to establish guidelines for the naming facilities and programs as donor recognition.

The opportunity to place the name of an individual, family or corporation on a building, room, center, institute, professorship, or scholarship at a College or university is a time-honored tradition among the 3,000 institutions of higher education in the United States.

Generally, the naming of facilities and academic programs recognizes an individual's high scholarly distinction, devotion, distinguished service, or a generous gift. These approved set of general guidelines provide parameters for the permanent naming of facilities, programs and support funds. These guidelines are designed to accommodate unpredictable situations and donor expectations while keeping the Foundation's mission and policies at the fore in making decisions.

All naming opportunities are negotiable and the Foundation recognizes that notwithstanding this policy, the Foundation Board of Directors retains its discretion to make exceptions or alter criteria or conditions as appropriate to the circumstances. There are innumerable ways the Foundation may recognize the contributions of individuals, families and corporations, just as there are many forms these contributions can take. Some general principles are:

- A. The naming of any physical facility, campus grounds or academic program is usually only appropriate when a significant gift is received.
- B. The merits of naming any physical facility, space, academic program or endowed fund should be determined by carefully weighing one's high scholarship, devotion or distinguished service, and should be able to stand the test of time.
- C. The minimum needed to establish a named endowed support fund is \$15,000. This minimum, which pertains to scholarship funds and other similar student, faculty and program support funds, is already in effect, as approved by the Foundation Board of Directors.
- D. Donors may also wish to establish named temporary funds for faculty support, financial aid, or other funding priorities. Under such an arrangement, the donor commits to providing an annual gift equivalent to the income from an endowment fund for a fixed period of time, at a minimum of three years.
- E. All naming requests should support that the honoree or donor meets the highest values and societal standards.

II. Types of Gifts for Naming Commitments

Any and all combinations of gifts, pledges, and irrevocable deferred gift arrangements are acceptable for naming commitments.

III. Guidelines for Naming Physical Facilities

- A. Buildings, campus grounds, or other campus facilities will generally not be named for individuals currently employed by South Arkansas Community College, unless a donor(s) provides a sufficient gift in honor of that individual.
- B. When the person to be honored is living and no financial gift is being provided, at least three years should pass since any formal association with SouthArk. Such affiliation includes time spent as a student; as a compensated member of the faculty or staff; as a paid state or county employee; or as a member of the SouthArk Board of Trustees or the SouthArk Foundation Board of Directors.
- C. Naming a building, wing, room, or lecture hall can be difficult, depending on size, age, prestige, location, original cost, etc. However, general rules of thumb are:
 1. Older existing facilities (more than 10 years old) funded with public money should be named only in exchange for gift commitments of at least 20 percent of the building's current value or replacement cost. Total costs include: architectural, planning, and construction; fees; site clearance and landscaping; furnishing; and equipment.
 2. Newer existing facilities (less than 10 years old) funded with public money should be named only in exchange for gift commitments of at least 25 percent of the building's current value or replacement cost. Total costs include: architectural, planning, and construction; fees; site clearance and landscaping; furnishing; and equipment.
 3. Unscheduled or unplanned facilities that a donor wishes to have constructed will require a 100 percent gift commitment, plus an endowed maintenance fund.
 4. The minimum gift for a "naming commitment" should be approximately \$10,000 for small physical spaces such as classrooms, offices and seminar rooms.

IV. Guidelines for Naming Programs

In order to name a Center, Institute, Program, or Academic Unit, the gift should be proportional to the amount of endowment (principal x estimated 5 percent annual payout) that would be necessary to sustain or propel the program to new heights on a permanent basis. For example, it would require at least \$2.5 million to permanently name a program needing \$125,000 in annual expenditures.

However, if an academic program is being named for someone of unparalleled scholarly distinction, that name should bring great honor as well as "promise" to the program so that the naming enhancement is a value-added act of good will and thoughtfulness, as well as a magnet for additional financial resources.

Opportunities also exist to establish named endowment funds in support of faculty, student, or academic priorities.

V. Approval Process for Naming of Facilities or Programs

Permanently named facilities and programs should be reviewed and approved by the SouthArk president and the College Board of Trustees upon the recommendation of the SouthArk Foundation, where appropriate, and ultimately subject to the approval requirements listed below.

The South Arkansas Community College Foundation Board of Directors has the authority to review and approve names of support funds, such as scholarship endowments.

The following principles shall be fully adhered to in the naming process:

- A. All proposed names for buildings and other facilities should be held in confidence during the review and approval process. There should be a minimum of communication about the proposed naming before appropriate approval has been granted.
- B. The naming of buildings, grounds or endowed funds in recognition of a donor or honoree implies a promise to that donor or honoree that the space, site, facility, endowment fund and other forms of tangible recognition will be permanently maintained, or if change is unavoidable, that an alternative means of recognizing the donor or honoree will be found.
- C. The College shall be responsible for maintaining a record of named rooms, buildings, grounds, and other spaces in addition to endowed funds.
- D. Naming commitments and, in fact, all major gifts, whether recognized by naming rights or not, are reflections on the ideals and reputation of South Arkansas Community College and the SouthArk Foundation. Accordingly, each gift and naming commitment should be reviewed carefully for full compliance with applicable laws and ethical principles. This is especially true where there is some direct or indirect business or other continuing relationship between the donor and College or the Foundation, its officers or employees. Any questions about the applicability of state or federal laws on conflicts of interest and other ethical considerations should be referred to appropriate legal counsel.

NAMED GIFT PROGRAM

PROCEDURES FOR THE NAMING OF FACILITIES, PROGRAMS, AND SUPPORT FUNDS

- A. The donor, either in response to a formal solicitation or of his or her own volition, indicates to the Executive Director of the Foundation an interest in making a gift of significance to benefit the College.
- B. The Executive Director of the Foundation determines the exact nature of the gift intention, and discusses the application of the Named Gift Program policy with the donor to identify naming opportunities of interest.
- C. Once the Executive Director of the Foundation determines the exact nature of the gift intention and the interest in naming opportunities, s/he then discusses the application of the Named Gift Program with the designated member of the College administration.

- D. The members of the College administration review the gift materials presented, determine appropriate naming opportunities available, and make their recommendation to the Foundation Board of Directors.
- E. Once the naming opportunity is approved at all required levels, a formal contractual commitment is executed outlining parameters of the gift in support of the College (as well as the nature of the named recognition).
- F. Recognition steps are then set in motion, including appropriate media announcements, signage installation, campus ceremonies, etc. (consistent with the wishes of the donor). It is important to note that, throughout the review and approval process, the donor's intentions should be held in strict confidence.
- G. The named gift is then registered in the Foundation's official register of named places on the campus, and is marketed as such in all publications and future announcements concerning this newly designated area.

South Arkansas Community College Foundation, Inc.

PROCEDURES FOR ESTABLISHING A SCHOLARSHIP

I. Permanently Named Fund

- A. Donors make endowment gifts to fulfill and assure their own unique philanthropic mission. Endowed funds are invested to benefit the purpose designated by the donor such as scholarships, program support, faculty development, technology, general campus support and many other uses.
- B. Endowed funds of \$15,000 may be named for individuals or organizations. An endowment exists in perpetuity and provides the perfect opportunity to create a living, lasting memorial. An endowment gift is invested and only a certain percentage of the annual earnings is spent for the specified purpose each year. The minimum gift to establish an endowment is \$15,000 and must be completed over a period of up to three years.
- C. Endowment gifts may be made with cash, stocks, or other appreciated property. Endowment agreements may also be established through bequests, trusts and other deferred giving methods.
 - 1. A donor or donors may establish a named endowment at a minimum funding level of \$15,000. The donor(s) may accumulate the endowment gift over a three-year period with earnings during the accumulation period to be added to the corpus. Earnings during the accumulation period may not be used to reduce the donors' commitment to fund the endowment at the minimum level. Once funded, earnings will be distributed both to make awards under terms of the Donor Fund Agreement and to increase the corpus of the endowment as allowed by economic conditions and existing board policies.
 - 2. Upon receiving a minimum of \$15,000 for an endowed scholarship, the Foundation will permanently endow a scholarship for the donor(s). Guidelines for the use of the endowment will be agreed upon and a Donor Fund Agreement will be completed in the Office of the Foundation.
 - 3. Donors will be contacted at the end of thirty-six months if a scholarship is not fully endowed. If the donor is unable to fully endow the scholarship, monies already donated will be transferred to the general endowment fund and the intent to endow the scholarship will be voided.
 - 4. The donor has the following options in specifying certain criteria for selection of an award recipient. A donor may specify that:
 - a. Selection of a recipient be tied to a recipient's academic performance, financial need or geographic area of residence.
 - b. Applicant eligibility be limited to an employer's employees and their spouses or dependants provided that final selection of recipient is made in accordance with policies of the College and the Foundation.
 - c. A recipient be a student in a particular College department or area of study.
 - d. A recipient has completed a specified number of semester hours of college work.

- e. A recipient has a minimum required grade point average.
 - f. Eligibility be limited to U.S. citizens and permanent residents.
5. Once a scholarship has been permanently endowed, publicity regarding the scholarship will be released to the public. This includes but is not limited to a press release and photo-op of the donor(s) with the College president and/or Foundation director as well as inclusion on the Foundation website and related print media, i.e., newsletters and annual fund drives.
 6. The Donor Fund Agreement is a contract and is initiated in accordance with FASB 136 as an agreement between the donor and the Foundation (a Section 501 (c) (3) organization of the Internal Revenue Code) for purposes of ensuring that the endowment which has been established by the donor with the Foundation will be available for charitable purposes to perpetuity.
 7. The Internal Revenue Service will not recognize a contribution for charitable tax deduction if the donor retains control over the gift funds or how they are used. Therefore, a donor may not participate in the selection of scholarship or award recipients, name a College employee to the scholarship committee, or structure the criteria so narrowly as to limit selection to a small population comprised solely or primarily of individuals related to the donor or that the donor would choose without this restriction.
 8. The College Scholarship Committee will make the final recipient selection. Recipient selection will be based upon the requirements listed on the scholarship Donor Fund Agreement. If funds remain, additional scholarships may be awarded to the next qualified student.
 9. The Foundation Investment Policy is approved by the Foundation Board of Directors and is designed to preserve the endowment, whose funds are handled by a “managed fund” investment firm.
 10. If the Foundation is unable to distribute the funds as specified by the Donor, the Donor grants rights/responsibility for determining a suitable benefactor for the funds as deemed most appropriate by the Foundation Board. The original intent of the donor will be the first consideration should the Foundation Board become involved in decisions regarding the disbursement of these funds.
 11. Fees for the management of this fund may be assessed by the Foundation in accordance with the established policies and fee schedules for advised endowment funds, which the Foundation may set from time to time.
 12. The Donor Fund Agreement may be modified in writing at any time by either party when approved by both parties, and will remain in effect as long as the guidelines for distributing the endowed gift remain within specifications of FASB 136.

Donor acknowledges and agrees that the College is a public institution governed by State and Federal constitutions, statutes and regulations and agrees that any and all funds the subject hereof shall be maintained, invested, utilized and accounted for in accordance with all such constitutions, statutes and regulations as they now exist or as they may be amended, enacted, or adopted in the future.

II. Non-Endowed Scholarship Fund

- A. Scholarships and grants are two of the most important ways that SouthArk keeps education accessible to a large number of area residents. Donors may stipulate criteria for selecting recipients with such determinants as academic excellence, enrollment in a specific degree program, leadership, and community service. The SouthArk Scholarship Committee is responsible for the selection of the scholarship recipients within the criteria stipulated by the donor.

III. Restricted and General Scholarship Funds

- A. **Restricted Scholarships** – These scholarships are created by pooling donations from various donors and which are designated for specific programs such as allied health, business, computers, early childhood education, etc. Gifts of less than \$15,000 may be directed to existing scholarship funds, may be named in honor or memory of someone, or may be restricted for a specific degree program or major on a one-time or annual basis. All of these monies are earmarked for spending on the specified purpose.
- B. **General Scholarships** - These scholarships are established by combining gifts from many donors. Donations of any amount may be given. Donations may be on a one-time or annual basis. Gifts are tax-deductible to the full extent allowed by law. The Foundation is an Arkansas 501 (c) (3) charitable organization.

South Arkansas Community College Foundation, Inc.

JOB DESCRIPTION

I. DIRECTOR RESPONSIBILITIES

A. Performance

1. Regular attendance at board meeting.
2. Active participation at board meetings:
 - Ask questions
 - Be engaged in deliberations
 - Vote according to your convictions.
3. Board members should feel free to resign if at any time they are unable to be an active participant director.

B. Administrative

1. Serve on a committee, offering their skills and expertise.
2. With other members of the board and with staff, make sure that the budget, policies, procedures and program efforts are consistent with the objectives of the organization.

C. Fundraising and Community Outreach

1. Assist in getting donations and in personally donating to the financing of the Foundation and the projects it supports. Each member shall make their best effort of generating a \$1,000 minimum unrestricted gift annually for the Foundation by one or more of the following methods appropriate:
 - Making personal cash donations
 - Obtaining cash contributions from other individuals, corporations and/or private foundations.
 - Arranging in-kind contributions of equipment that is needed and requested by SouthArk and the Foundation.
 - Establishing a gift through wills, trust or insurance.
2. Support Foundation program events with attendance and/or ticket purchase, and assist in selling tickets to appropriate events.
3. Act as a booster of the College and the foundation at public events and/or within your own networks.

II. Officer Responsibilities

A. Foundation President

1. Preside at all Board of Directors' meetings and Executive Team meetings
2. See that orders and resolutions of the Board are carried into effect
3. Execute along with Treasurer all business transactions of the Board
4. Perform other duties as prescribed by the Board of Directors
5. Perform other duties usually incidental to the office of the President
6. Be one of the needed two (2) signatures for checks and other documents.
7. Appoint committee chairs/members with approval of Executive Board

B. Foundation Vice-President

1. Preside at Board of Directors' meetings in the absence of the President
2. Act in the place of the President in the event of absence or disability of the President
3. Perform other powers and duties as designated by the Directors
4. Perform other duties usually incidental to the office of the Vice President
5. Be one of the needed two (2) signatures for checks and other documents

C. Foundation Secretary

1. Record or cause to record the proceedings of all meetings of the Board of Directors and Executive Board
2. Keep on file Articles of Incorporation and all amendments and restatements and a complete copy of by-laws and all amendments and restatements and any statements of Policy and Procedure
3. Perform other duties as prescribed by the Directors
4. Perform other duties usually incidental to the office of Secretary
5. Remind board members of meetings and follow up with those absent
6. Be one of the needed two (2) signatures for checks and other documents

D. Foundation Treasurer

1. Keep or cause to be kept all accurate accounts of all moneys received or disbursed.
2. Cause to be deposited all moneys, drafts, checks and other valuable effects in the name Foundation and assure funds are credited to the depositories designated by the Directors

3. Endorse for deposit all notes, checks and drafts received by the Foundation
4. Disburse or cause to be disbursed funds as ordered by the Directors and determined by the annual budget
5. Provide or cause to be provided an account of all transactions and financial condition as requested by the Directors
6. Perform other duties usually incidental to the Treasurer
7. Perform other duties as prescribed by the Directors
8. Be one of the needed two (2) signatures for checks and other documents

III. Committees Responsibilities

A. Executive

The executive committee will have and exercise all powers of the Board of Directors between meetings and review all matters to go before the Board. Written reports of the actions of the executive committee shall be submitted to the Board of Directors at its next meeting following the actions of the executive committee. The executive committee shall consist of the President of the corporation, who shall preside at all meetings thereof, the Vice-President of the corporation, the Secretary, the Treasurer, and the chairpersons of the standing committees as elected by said Board at its annual meeting. The members of the executive committee shall be elected annually at the first quarterly meeting of each year and shall serve for one year or until their successors have been elected by the Board of Directors.

B. Finance Committee

The Finance Committee shall provide counsel and advice concerning the management of the Foundation's endowment and charitable trust funds; establish investment goals, objectives, and policies that ensure prudent management of such funds; review and monitor the progress of interest income earned and the distribution and/or reinvestment of that income; and provide counsel and advice regarding purchases and sales of fixed and equity securities.

C. Board Development/Nominating Committee

The Board Development/Nominating Committee will identify, cultivate, recruit, and orient board members; annually evaluate the Foundation board; nominate the board's slate of officers; and nominate the chair and membership of the standing committees. Their responsibilities will include identifying prospective members based on recommendations from other members of the Board as well as members of the community. After candidates are identified, the nominating committee will meet with each candidate to visit about the Foundation and the responsibilities of Board membership. If the candidates accept the nomination, the chairperson of the Nominating Committee will submit their name for formal approval of the Board as a whole.

D. Gifts Committee

The Gifts Committee will provide counsel, advice, and support for the organization's annual giving

program, which may involve annual fundraising campaigns, direct mail programs, alumni programs and activities, and other annual fundraising efforts. The Gifts Committee shall also assist in identifying prospective donors considered capable of giving significant gifts on an annual basis or through planned giving; provide counsel, advice, and support for the organization's ongoing major and planned gifts program, assist in building the college's endowment, particularly through planned gifts; and cultivate and solicit prospects considered capable of making major and planned gifts.

E. Special Events Committee

The Special Events Committee will raise public awareness of the need and case for support from the public and develop materials and events to accomplish their goals using reasonable resources; assist in obtaining sponsorships, create prospective guest lists, and assist with marketing and publicity where appropriate. The special events used to meet these ends will include limited (usually no more than two) major events directly organized and executed by this board committee.

NEW BOARD MEMBER

Name: _____

Home Address: _____

Work Address: _____

Home Tel.: _____ **Work Tel.:** _____

Cell: _____ **Fax:** _____

Email: _____

Spouse's or Significant Other's Name (This will be used for our event invitations.):

Place of Employment: _____

Position: _____

Where would you like USPS mailings to be sent?

Check one: _____ Home _____ Work

Community/Volunteer Activities:

Professional accomplishments or community involvement (optional):

South Arkansas Community College Foundation, Inc.

BOARD EMERITUS STATUS POLICY

I. Criteria

This policy allows the South Arkansas Community College Foundation to designate eligible retiring foundation board directors to a director emeritus status upon the retirement from service on board. The term of board emeritus may extend into perpetuity. The executive committee should consider the following guidelines when nominating directors for director emeritus status:

- A. Actively served on the SouthArk Foundation board as a director for two full terms.
- B. Makes a significant contribution to the College through personal service and/or financial contributions.
- C. Served as an officer of the Foundation board or chaired a standing committee.

II. Responsibilities

- A. Expected to offer continued support and participate in Foundation initiatives commensurate with abilities.
- B. Invited to the College Foundation board meetings (but shall not be recognized as voting members).
- C. Asked to serve on Foundation committees and to participate in fundraising and friendraising events.

III. Privileges

- A. Invitations to all foundation retreats and appropriate orientations
- B. Invitations to all appropriate College and foundation function
- C. Mailings of all appropriate College information and materials
- D. Other benefits as may from time to time become available

South Arkansas Community College Foundation, Inc.

CONFLICT OF INTEREST POLICY

I. Purpose

This policy is designed to protect the interests of the Foundation and to aid in resolving any existing or potential conflicts of interest which arise in connection with the performance of services for the organization by the following persons: members of the SouthArk Foundation Board of Directors, the Executive Director of the Foundation, and any Professional Staff.

II. Guideline

Recognizing that it is virtually impossible to identify or itemize each instance in which a conflict may arise, this policy is intended to serve as a guideline only, and should not be considered exhaustive. Any time a person who is affected and governed by this policy has reason to believe that he or she is, or is about to become, involved in a conflict of interest, he or she should discuss the matter with the person(s) indicated under Disclosure and take no action on the matter until he or she receives instructions from such person(s).

III. Conflict

A Conflict of Interest may be generally defined as a circumstance in which a person has an outside or personal interest of some nature, that could be furthered by use of his or her power or influence in the organization which in some manner results in an improper gain or advantage to the detriment of the organization's and affiliate's interest. The following are instances which have a high likelihood of giving rise to conflict.

- A. Holding, whether directly or indirectly, a position of financial interest in any corporation or other entity from which the SouthArk Foundation obtains goods or services, of any nature, or which provides services in competition with those provided by the Foundation. The term 'outside interest' further encompasses any personal competition with SouthArk, whether directly or indirectly for the purpose or sale of property, property rights, services or interests.
- B. The acceptance of any gift, entertainment, loan or gratuity, which is offered as a means of influencing, or could influence, action from any outside concern which does business with, is seeking to do business with, or is in competition with the SouthArk Foundation is a conflict. This provision applies only to those circumstances from which an inference of attempted influence may be derived and not to ordinary gifts which are of nominal value which are clearly offered out of respect, friendship, or affection.
- C. The use or disclosure of information regarding any facet of the Foundation, obtained by virtue of a person's association with SouthArk, for the purpose of furthering that person's personal or financial interest, or the interest of his or her family, is improper and clearly presents a conflict

IV. Disclosure

This policy is to be relied upon as a guideline, and is not to be interpreted as a restriction on the activities of those persons to whom it applies. The policy requires only that full disclosure be made to the proper party or group of any potential conflict of interest, whether such conflict arises as a result of a person's holdings or provision of

services. The policy further requires that any person under a conflict not participate in any action taken in regard to the conflicting topic, nor attempt to influence the action of any other person in regard thereto. It should be especially noted that this policy applies as well to the members of the immediate family of each person affected by this policy.

- A. Any member of the SouthArk Foundation Board of Directors needing to make a disclosure shall do so to the Board of Directors as a whole. Any member who suffers a conflict shall not be entitled to vote, or to exercise any influence on the matter, nor shall he or she be counted toward determining a quorum. The minutes of the meeting shall reflect the disclosure, abstention from the vote, and the quorum status.
- B. The Executive Director of the Foundation shall disclose to the SouthArk Foundation Board of Directors.
- C. Staff and faculty shall disclose to the Executive Director of the Foundation.

South Arkansas Community College Foundation, Inc.

CONFLICT OF INTEREST CERTIFICATION

South Arkansas Community College Foundation, Inc. has a public responsibility to South Arkansas Community College, its employees, student body, and its progress. No member of the Board of Directors is to seek personal gain by serving on this board.

Areas of possible conflict of interest:

I hereby certify that I have read and fully understand the South Arkansas Community College Foundation's Conflict of Interest Policy.

I further certify that I have not accepted any gratuities or gifts of compensation in violation of the policy other than those for which full and fair disclosures have been made.

Date

Signature

Name (typed or printed)

Position

South Arkansas Community College Foundation, Inc.

DONOR CONFIDENTIALITY POLICY

It is the policy of the Foundation that College trustees, Foundation directors, and College employees and students may not disclose, divulge, or make accessible confidential information belonging to or obtained through their affiliation with the Foundation, to any person, including relatives, friends, and business and professional associates, other than to persons who have a legitimate need for such information and to whom the Foundation has authorized disclosure.

Trustees and employees must exercise good judgment and care at all times to avoid unauthorized or improper disclosures of confidential information. Cell phone conversations, emails, and conversations in public places, such as restaurants, elevators, and airplanes, should be limited to matters that do not pertain to information of a sensitive or confidential nature. In addition, all parties noted here should be sensitive to the risk of inadvertent disclosure and should, for example, refrain from leaving confidential information on desks or otherwise in plain view and refrain from using speaker phones to discuss confidential information if the conversation could be heard by unauthorized persons.

Upon termination of an employee's employment, he or she shall return, at the request of the Foundation, all documents, papers, and other materials, regardless of medium, which may be obtained or derived from confidential information, in his or her possession.

At the end of a director's or trustees term in office, the Foundation will encourage the outgoing director or trustee to return materials that might contain confidential donor information directly to the Foundation for appropriate disposition.

Donor Privacy Notice:

South Arkansas Community College Foundation does not share its mailing list nor any donor information with other organizations or individuals outside of the Foundation office with the exception of the Gifts Committee. College employees' specific donation amounts will remain confidential. The Foundation periodically publishes the names of its donors. Donors who do not want their information to be shared may notify the Foundation by mail at SouthArk Foundation.

South Arkansas Community College Foundation, Inc.

EXPENSE REIMBURSEMENT POLICY

- A. The Foundation will use the Department of Finance and Administration guidelines for daily allowances for travel reimbursement of lodging and meals and the rate of reimbursement for mileage of the use of a private vehicle.
 - 1. The daily maximum allowable rates for both in-state and out-of-state travel is published by DF&A on the Federal Travel Directory at www.gsa.gov.
 - 2. The mileage reimbursement is set at a rate mandated by DF&A in the College Website www.southark.edu. It is updated as revisions are announced by DF&A.
- B. To be eligible for a full-day travel allowance, the employee must leave prior to 6:00 a.m. and be away from the College for a minimum of 24 hours.
- C. No reimbursement will be made for meals when overnight lodging is not required.
- D. The following receipts will be submitted for:
 - 1. Lodging
 - 2. Registration Fees
 - 3. Gas
 - 4. Emergency repairs
 - 5. Car rentals
 - 6. Any common carrier
 - 7. Expenses for Non-State employees
- E. A traveler may not request reimbursement for:
 - 1. Personal entertainment
 - 2. Tips
 - 3. Valet Service
 - 4. Flowers
 - 5. Laundry
 - 6. Cleaning
 - 7. Alcoholic Beverages

- F. Reimbursement may only be claimed for actual expenses for meals and lodging as mandated by DF&A.
 - 1. The maximum reimbursement may be claimed only if actual expenditures for meals and lodging exceed the daily maximum allowed.
 - 2. Sales tax may be claimed with meals and lodging actual expenditures, not to exceed daily maximum allowed.
- G. State travel regulations allow the head of an institution to waive the maximum reimbursement limit by writing a justification to support each exception.
 - 1. The President must approve the individual's Travel Authorization to allow him/her to exceed the maximum allowed for lodging reimbursement.
 - 2. The guidelines below will be followed in determining the amount of expenditures allowed for lodging when a waiver is granted.
 - a. The full cost of lodging will be allowed if the traveler stays in the hotel or recommended overflow hotel where the meeting or convention is being held and requests the least expensive room available.
 - b. Copies of requests for housing should be kept and submitted with requests for reimbursement.
 - c. If a hotel is not designated as a convention hotel, the traveler should seek a hotel in a cost efficient manner.
 - d. If the lodging exceeds the daily maximum, the President must approve the lodging cost before the trip is taken.
- H. The maximum that an employee may request in reimbursement for meals taken within the state and in border cities will be set by the state and may be claimed only if the expense of meals has actually been incurred.
 - 1. The maximum daily allowable for meals and lodging is published by DF&A in the Federal Travel Directory at www.gsa.gov under the Per Diem tab. The Federal Travel Directory includes an incidental expense which is not allowed by the state.
 - 2. The Business Office Travel Supervisor can provide travelers with meal and lodging allowances for both in-state and out of state travel.
- I. The state travel regulations require that request for reimbursement for meals when all three meals are not taken during a travel day be "reasonable and proportionate."
 - 1. The College will allow some flexibility by defining "reasonable and proportionate" as not exceeding 35 percent of the total daily allowance for breakfast, 35 percent for lunch, and 60 percent for dinner.
 - 2. The Department of Finance and Administration does not allow the President to write waivers that allow travelers to exceed the daily meal allowance amounts.

- J. Usually, the individual may only claim travel reimbursement for himself or herself.
 - 1. Persons traveling with students or other guest of the State should discuss travel plans with the Chief Fiscal Officer prior to travel in order to assure reimbursement.
 - 2. Travel regulations do not allow reimbursement for family members who travel with an employee, therefore a single rate should be secured from the hotel when family members accompany the traveler.
 - 3. All motel receipts must be in the traveler's name.
 - 4. Employees may share a room and divide the lodging costs to reduce travel expenses.
- K. The amount of reimbursement for the use of a personal vehicle will be determined by the shortest major highway route as shown by an official Arkansas highway map for Arkansas travel or other maps for out-of-state travel.
 - 1. Vicinity mileage may be claimed, but it must be listed separately on the TR-1 form.
 - 2. The College will not be responsible for the following items when private vehicles are used:
 - a. Gasoline Purchases
 - b. Tolls
 - c. Parking Fees
 - d. Repairs
 - e. Maintenance
 - 3. The individual traveler is responsible for:
 - a. Fines
 - b. Parking Tickets
 - c. Other costs involved in any law violation.
- L. The Office of Risk Management requires that all traffic violations while on College business be reported to the President.
- M. When airline travel is required, the traveler must utilize coach accommodations and should attempt to utilize discount air fares.
 - 1. The individual will make travel arrangements and purchase tickets. If he/she wishes that these charges be billed directly to the, or charged to the Foundation's credit card, he/she must enter a purchase order through the DPS program for the charges being made.

2. Individuals may make their travel arrangements only after having their travel approved.
3. To be reimbursed for travel, the traveler must complete a TR-1 form supported by receipts and submit it to the Business Office Travel Supervisor.
4. The Official Station for any traveler who lives in El Dorado will be El Dorado.
5. Travelers who live outside El Dorado should contact the Business Office to determine the Official Station to be listed since special travel regulations apply.

Cellular Telephone Reimbursement

The Foundation recognizes that certain jobs may be enhanced by the provision of cellular telephones and it will follow the College policy for payment of cell phones.

South Arkansas Community Foundation, Inc.

WHISTLE BLOWER POLICY

I. Policy Statement

In accordance with the “Arkansas Whistle-Blower Act” (Arkansas Code Annotated §§ 21-1-601 through 609) the Foundation will not discharge or retaliate against an employee who reports in good faith the existence of any waste of public funds, property, or manpower excluding federal funds, property, or manpower; or a violation or suspected violation of State law, rule, or regulation. This policy excludes federal funds, property, or manpower. Specifically, no adverse action will be taken against an employee or a person authorized to act on behalf of the employee, in the following situations:

- A. If an employee alleges a violation under this Act, and does so “in good faith”;
- B. If an employee alleges a violation under this Act, and does so “in good faith,” and participates or gives information in an investigation, hearing, court proceeding, legislative or other inquiry, or in any form of administrative review; and/or
- C. If an employee alleges a violation under this Act, and does so “in good faith,” and has objected to or refused to carry out a directive that the employee reasonably believes violates a law, rule, or regulation adopted under the authority of the State.

II. Definitions/Clarifications

- A. An “adverse action” is defined as discharging, threatening, discriminating, or retaliating against the employee in any manner that affects the employee’s employment, including compensation, job location, rights, immunities, promotions, or privileges.
- B. “Good faith” is lacking when the employee does not have personal knowledge of the waste or violation, or when the employee knew or reasonably should have known that the report is malicious, false, or frivolous.

III. Procedure for Reporting

A report of waste or violation should be made verbally or in writing to one of the following:

- A. Employee’s superiors or to an appropriate authority, such as any member of the President’s Cabinet;
- B. A state, county, or municipal government department, agency, or organization having jurisdiction over criminal law enforcement, etc.;
- C. A member, officer, agent, investigator, auditor, representative, or supervisory employee of the body, agency, or organization; or
- D. The office of the Attorney General, Auditor of State, Arkansas Ethics Commission, Legislative Joint Audit Committee, Division of Legislative Audit, or prosecuting attorney’s office.

- E. Reports of waste or violation must be made prior to any adverse action by the agency/institution, at a time and in a manner which gives the agency/institution reasonable notice of need to correct the waste or violation.

IV. Grievance Procedure

- A. An employee who believes that the Foundation has acted adversely towards him/her as a result of a report of waste made in good faith should file a grievance in accordance with the College Administrative Procedure Manual - Policy 2.12.
- B. If the grievance is not resolved, the employee may subsequently bring a civil action in chancery court within 180 days of the alleged violation of the “Arkansas Whistle-Blower Act.” Should such civil action occur, the employee has the burden of proof in establishing that he or she has suffered an adverse action for an activity protected under the Act? Additionally, the Foundation shall have an affirmative defense if it can establish that the adverse action taken against the employee was due to employee misconduct, poor job performance, or a reduction in workforce unrelated to a report made concerning violation under the Act.
- C. Grievance proceedings will be followed as outlined specifically in the Whistle Blower Act.

South Arkansas Community Foundation, Inc.

DOCUMENT DESTRUCTION POLICY

The Sarbanes-Oxley Act addresses the destruction of business records and documents and turns intentional document destruction into a process that must be carefully monitored. As a non-profit organization, the Foundation provides this written, mandatory document retention and periodic destruction policy. Policies such as this will eliminate accidental or innocent destruction. In addition, it is important for administrative personnel to know the length of time records should be retained to be in compliance.

The following table provides the minimum requirements.

This information is provided as guidance in determining the Foundation's document retention policy.

Type of Document	Minimum Requirement
Accounts payable and schedules	7 years
Audit reports	Permanently
Bank Reconciliations	2 years
Bank statements	3 years
Checks (for important payments and purchases)	Permanently
Contracts, mortgages, notes and leases (expired)	7 years
Contracts (still in effect)	Permanently
Correspondence (general)	2 years
Correspondence (legal and important matters)	Permanently
Correspondence (with customers and vendors)	2 years
Deeds, mortgages, and bills of sale	Permanently
Depreciation Schedules	Permanently
Duplicate deposit slips	2 years
Employment applications	3 years
Expense Analyses/expense distribution schedules	7 years
Year End Financial Statements	Permanently
Insurance Policies (expired)	3 years
Insurance records, current accident reports, claims, policies, etc.	Permanently
Internal audit reports	3 years
Inventories of products, materials, and supplies	7 years
Invoices (to customers, from vendors)	7 years
Minute books, bylaws and charter	Permanently
Patents and related Papers	Permanently
Payroll records and summaries	7 years
Personnel files (terminated employees)	7 years
Retirement and pension records	Permanently
Tax returns and worksheets	Permanently
Timesheets	7 years
Trademark registrations and copyrights	Permanently
Withholding tax statements	7 years

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