

Poudre Wilderness Volunteers Endowment Fund

Description, Policies, and Procedures

BOD Approved-April 18, 2019

I. DESCRIPTION.

The purpose of the Poudre Wilderness Volunteers Endowment Fund (“Fund”) is to enhance the mission of Poudre Wilderness Volunteers (“PWV”) by providing an ongoing funding source in support of PWV’s operating and capital needs. If there is any conflict between this document and the Bylaws of PWV, the Bylaws will control.

II. OVERSIGHT.

The PWV Fund Development Committee (“Committee”) or an authorized sub-committee focused on endowment fund matters) has the responsibility for:

- encouraging endowment fund giving via special events, and fund drives;
- formal recognition of such gifts to donors meeting current IRS rules for documentation;
- ensuring that endowment funds are invested consistent with “Section V” of this document
- communications with the Board and membership on how and when distributions will be managed.
- quarterly reports to the Board and an annual report at each annual membership meeting.
- presenting proposed amendments to the Description, Rules, and Procedures to the Board whenever updates or revisions are deemed necessary.

III. ENDOWMENT CONTRIBUTIONS.

Endowment contributions include those from individuals, corporations, estates, and foundations.

- A. *Unrestricted Endowed Funds* are the general contributions to the Fund. No minimum contribution is required. Unrestricted Funds consist of all gifts and bequests not specifically designated as Donor-Restricted Endowed Funds and will be added to the PWV Agency Endowment Fund managed by the Community Foundation of Northern Colorado (“CFNC”).
- B. *Donor-Restricted Endowed Funds*: A minimum initial contribution of \$10,000 is required. The donor may define how earnings from the gift will be used and earnings are to be distributed. The gift and special terms must be approved by the Committee and the Board. The terms must be appropriate to the goals and purposes of PWV.

IV. ENDOWMENT ASSETS.

In April 2015, PWV financed its “*Endowed Agency Fund*” through an initial donation to CFNC. CFNC maintains a separate accounting for the Fund, increased by contributions and income to the Fund, and decreased with grants, expenses, market losses, and disbursements from the Fund. The Fund is accounted for using Financial Accounting Standards Board guidelines for Agency Funds. If PWV ceases operations and is dissolved, the Fund will remain under the control of the CFNC Board of Trustees, to be managed and used in the furtherance of CFNC’s philanthropic and charitable activities.

A small amount of unrestricted funds may be held in a segregated PWV Endowment bank account to fund periodic endowment fund raising events and initiatives.

Partial interests in property, property encumbered by debt, gifts of property that may have title or environmental problems, and gifts of property that may not be marketable within a reasonable time will be evaluated by the Committee and approved the Board before being accepted as part of PWV’s endowment portfolio.

V. INVESTMENT OBJECTIVES.

The *Endowed Agency Fund* is a long-term investment. The PWV Board will approve (by majority vote) any changes to unrestricted fund investment strategies (i.e. outside of CFNC) as well as investment risk mix within the CFNC managed fund.

Currently the Fund is invested in the CFNC “Balanced Pool” with the following investment mix:

Equities (stocks):	60%
Fixed income (CD's or bonds):	40%

Investment decisions for and distributions from *Donor-Restricted Endowed Funds* will be made by the Committee subject to approval by the PWV Board, in accordance to any donor agreements.

VI. DISTRIBUTIONS—GENERAL GUIDELINES

A. Unrestricted Funds. No distributions will be made from the Fund unless the Fund account market value is a minimum of \$50,000. No greater than 4.5% of the Fund’s total market value will be distributed, (consistent with the CFNC fund agreement limiting distributions to a “sustainable annual amount”).

B. Donor-Restricted Endowed Funds. Distributions of net earnings will be made by the Committee according to the terms generally defined by the donor.

VII. LIABILITY.

No member of the Committee will be personally liable for any losses except to the extent the losses were caused by the member's intentional misconduct or omission. The Committee and its members will not be responsible for advising donors of any tax or other consequences that may result from any gift. Donors will be advised to consult an attorney, accountant, or other tax advisor concerning the potential consequences of a gift in the donor's circumstances.

VIII. PWV TREASURER AND BOOKKEEPER SUPPORT

The PWV Treasurer or Bookkeeper will keep the Committee informed of donations received, disbursements of grant amounts, account balances, maturity dates of investment instruments, and other matters needing attention or management by the Committee. The PWV Treasurer or Bookkeeper will provide needed bookkeeping and financial information to accomplish the objectives stated in this document.

- B. The PWV Bookkeeper will log all endowment donations into the PWV bookkeeping records. The PWV Treasurer will insure the Committee is provided documentation of every endowment donation to allow for proper acknowledgement of the gift to the donor, or donor's family.
- C. The PWV Treasurer will update the PWV balance sheet quarterly to reflect the current values of each endowment fund (or account). Copies of investment statements will then be sent to the Committee for any endowment fund accounts not available online to the Committee Chair.
- D. Upon request, the PWV Treasurer or Bookkeeper will provide the Committee with a QuickBooks "Transactions by Account" for all endowment related accounts (assets, income, and/or expenditures).

IX. RECEIPT AND ACKNOWLEDGEMENT OF GIFTS AND BEQUESTS.

The Committee will send acknowledgements for Unrestricted Funds or Donor-Restricted Endowed Funds donations. Acknowledgements will be sent to both the donor and the family of the deceased (in the event of bequests).

- A. Acknowledgements will be sent to donors within one week of receipt. Acknowledgements of multiple donations should show monthly total donations rather than individual gift amounts.

- B. Acknowledgements of gifts of \$250.00 or more must include the following information:

“This is to acknowledge your contribution to the Poudre Wilderness Volunteers Endowment Fund in the amount of \$ _____. No goods or services were received in exchange for this donation. The only benefit received in exchange for your generosity was the intangible benefit of knowing your gift will help to support future PWV activities in perpetuity”.

X. ACCOUNT SIGNATORIES AND ELECTRONIC ACCESS.

The Committee must have full account access to any Endowment Fund investment accounts (separate from the CFNC Endowed Fund) in order to manage the investments according to the Committee's investment plan and decisions. Signatories on such investments must be updated when designated signatories leave their positions as Committee or Board members (such as the PWV Treasurer).

- A. No more than two individuals should be designated as signatories at any one time for endowment investment accounts. The Committee Chair, and the PWV-Treasurer should usually be named as signatories, though other persons may be designated if appropriate. The bank account mentioned in Section IV–Endowment Assets, will have the PWV bookkeeper as a signatory to the account, to allow for easy transfer of funds to pay authorized endowment committee related expenditures or transfer funds to CFNC.
- B. To reduce the frequency of signatory changes, it is advisable to designate individuals who are expected to hold their positions or membership for at least two years.

XI. PROCEDURES FOR ENDOWMENT FUND GRANTS.

- A. If funds are available for disbursement, the Committee will inform the Board at its January meeting.
- B. Grant applications can be submitted by the Board and its committees, or individual PWV members at any time during the year.
- C. Applications will be considered by the Committee during its next meeting.
- D. The Committee will then recommend which projects to fund and in what amounts at the next Board meeting. Final decisions regarding funding of grants will rest with the Board.
- E. Funds for approved grants will be made as soon as possible through the PWV Treasurer.
- E. The Committee will immediately thereafter notify grant applicants of the Board’s

decision(s). Funds for approved grants will be made available through the PWV Treasurer.

- F. Persons and committees approved for grant funding must report on expenditures and project status to the Committee by December 31. Reports on multi-year grants must be made by December 31 of each year until the project is complete.
- G. Timing, deadlines, and grant procedures may be modified by the Committee as needed for appropriate management of the Endowment Fund, subject to BOD approval.
- H. Receipts for all grant expenditures must be turned into the PWV bookkeeper and be reconciled with the grant application details.

XII. PROCEDURE: BEQUESTS TO PWV

- 1. When the Committee receives notification of a bequest (from attorney, personal representative or trustee (the “Legal Representative”)), the Committee will create a file: (i.e. “Ralph Bryant Estate”)
- 2. The Committee will retain all correspondence from the Legal Representative and check on progress when that seems appropriate. All documents may be retained in a digital format with appropriate backup copies to Google Drive or other similar applications.
- 3. When a check is received, a Committee representative will write a thank-you letter to the family (sometimes it is necessary to get name and address from the Legal Representative).

XIII. POLICY: GIFT ACKNOWLEDGEMENTS MEMORIALS

A. GIFT ACKNOWLEDGMENTS IN GENERAL:

The Committee will take care of acknowledgments for all memorials that will go into the Endowment Fund, whereas the PWV Board will take care of acknowledgements for memorials that will go into the operations accounts.

B. PROCEDURE FOR ACKNOWLEDGMENTS

- 1. The PWV Treasurer will provide the Committee details on donations received.
- 2. The Committee will send acknowledgments to both donor and to family of deceased. Acknowledgments will be sent to donors within one week of receipt and family of deceased monthly as long as gifts arrive.

3. Acknowledgements sent by the Committee representative to families of the deceased will include names of donors, totals of gifts received to date (rather than individual gift amounts, and range of value of gifts received (ex, "gifts from \$15 to \$250 were received").

C. GIFTS OF \$250 AND ABOVE:

Per IRS rules, these gifts must be accompanied by a statement such as:

“This is to acknowledge your contribution to the Poudre Wilderness Volunteers Endowment Fund in the amount of \$ _____. No goods or services were received in exchange for this donation. The only benefit received in exchange is the intangible benefit of knowing your gift will help to support future PWV activities in perpetuity”.

PWV ENDOWMENT FUND

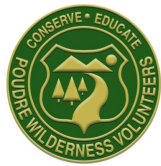
**ENDOWMENT FUND: EXAMPLE OF DISBURSEMENT
(Hypothetical)**

Ex.1 Fund reaches \$50,000

December 31, 2016: Fund market value reaches \$55,000
5% of total fund market value (\$55,000) = \$2750
If distributed, remaining market value = \$52,250 which exceeds the \$50,000 threshold.

Ex. 2 Dec 31, 2016: Fund market value = \$52,000
5% of total fund market value (\$52,000) = \$2600
Only \$2000 can be distributed so as not to go below \$50,000 threshold.

PLEASE NOTE THAT THIS EXAMPLE IS HYPOTHETICAL. At the current time the fund balance is greater than \$60,000, so this scenario might never come to fruition.



POUDRE WILDERNESS VOLUNTEERS
ENDOWMENT FUND GRANT APPLICATION

This application may be completed and submitted to the Fund Development Committee at any time.

Grants from the Endowment Fund may only be used for the purposes stated in this grant application and must enhance the mission of Poudre Wilderness Volunteers.

PLEASE COMPLETE THE FOLLOWING:

Name of Project: _____

Sponsoring Person or Committee: _____

Phone: _____ E-mail: _____

Funds Needed (Amount): _____

Funds Needed When? (Date): _____

Please attach a description of the project, including cost components of the project and prioritization of funding needs, if applicable.

Contact the Chair of the Fund Development Committee if you have any questions.

(Chair contact information)

THANK YOU!