

Fund Management Policies

***Receipt of Funds, Management of Funds
and Distribution of Funds***

Adopted by the Board of Directors

**Weatherford ISD
Education Foundation**

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Foundation Development Consultants

Weatherford ISD Education Foundation

Policy Manual

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TYPES OF FUNDS

The Weatherford ISD Education Foundation recognizes the following as primary and usual types of classes of funds:

1. **Undesignated Funds:** Money donated to the Weatherford ISD Education Foundation in such a manner that allows the Weatherford ISD Education Foundation full discretion (within policy and guidelines) relative to its use.
2. **Designated Funds:** Money given to the Weatherford ISD Education Foundation in which the ultimate use thereof is designated or controlled, in part or whole, by wishes of the donor. The Board of Directors prior to acceptance shall approve receipt of such designated gifts.
3. **Endowed Funds:** Money given to the Weatherford ISD Education Foundation in which the ultimate use thereof is to provide a permanent corpus from which earning can be used for designated or undesignated purposes. Each year, the Board of Directors may designate a percentage of the current year undesignated contributions to be added to the endowment funds. The endowment fund's earnings may be used for undesignated or designated purposes as defined by the donor or Board. The principal of the endowment funds are permanently restricted.
4. **Gifts in Kind:** Any gift not primarily money or readily convertible into money.

GENERAL FUND MANAGEMENT

It shall be the policy of the Weatherford ISD Education to define an overall and effective management of all funds received, As such, funds should be managed based on the following formula:

1. **40-60% of Undesignated Funds:** To be distributed to specific Weatherford ISD projects or grants as approved by the Board of Directors of the Education Foundation.
2. **20-40% of Undesignated Funds:** To be reserved for long-range savings and endowment purposes.
3. **Not to exceed 20% of Undesignated Funds:** To be used for the general operation of the Weatherford ISD Education Foundation.
4. **Endowed Funds:** Dividends and interests from Endowed Funds may be managed as Undesignated Funds or reinvested at the discretion of the Foundation Board. Other distributions of Endowed Funds may be made only after Board approval.
5. **Gifts In Kind:** The management and disposition of these gifts should be defined by the Board at the time of receipt.
6. **Carry-over Monies:** any excess or carry-over monies are to be added to the endowment at the discretion of the WISD Education Foundation Executive Committee.

DISTRIBUTION OF UNDESIGNATED FUNDS

When funds that are not held on condition or designated in any way are distributed, the following procedures will be observed:

1. Funds will be distributed only with a successful motion supporting the distribution as recorded in the minutes of the Weatherford ISD Education Foundation.
2. Funds allocated for district/campus programs, projects and services will not be payable to or in the name of individuals.
3. A report in a level of detail requested by the Weatherford ISD Education Foundation concerning the ultimate use and expenditure of the funds will be presented to the Weatherford ISD Education Foundation upon completion of the program, project, or services.

DESIGNATED FUNDS

Where a designated gift is specified for use in an ongoing Foundation project, the funds will be credited to the correct account. However, if a donor wants to establish a designated fund for a new project, the following guidelines shall be followed:

1. The minimum principal amount in such a fund shall be \$5,000.00. If the initial gift is less than the minimum amount of \$5,000.00, such fund will nonetheless, be established as a designated fund if the donor commits to reach the minimum level within a period of six months from the time of the initial payment by means of additional gifts to the fund. If the donor subsequently notifies the Foundation that the minimum level will not or cannot be reached during the specified time period, the following options may be pursued:
 - a. The funds may be converted to undesignated funds with donor's approval.
 - b. The funds may be returned to the donor, less accumulated interest.
2. The use of such designated funds must be compatible with the aims and purposes of the Weatherford ISD Education Foundation.
3. The instructions concerning the utilization of such funds must be approved by the Board of the Weatherford ISD Education Foundation and the Board of Trustees of the Weatherford Independent School District.

DISTRIBUTION OF DESIGNATED FUNDS

When funds are held for or on behalf of other entities for a specific or designated purpose, the distribution of such funds will be made according to the following procedure.

1. The recipient will submit to the Weatherford ISD Education Foundation a request in writing for the funds. The request will specifically state:
 - For what purpose the funds will be used
 - How much money is to be distributed
 - To whom the money will be delivered
 - When the funds will be transferred
2. The Weatherford ISD Education Foundation will not make check payable to individuals.
3. Upon completion of the project or the purchase of equipment or services, the recipient will provide the Weatherford Education Foundation with an appropriate report concerning the ultimate expenditure of the funds.

ENDOWMENT AND DESIGNATED FUND MANAGEMENT

It shall be the policy of the Weatherford ISD Education Foundation to reserve a portion of donated funds and the growth or interest on designated invested funds for long-range saving and endowment purposes. The Board of Directors shall set the amount of reserve from time to time. Management fees for holding designated funds may be rendered if the Directors deem appropriate

MANAGEMENT OF GIFTS IN-KIND

The Weatherford ISD Education Foundation shall, at its own discretion and using any noted donor requirements or guidance, manage and distribute these gifts following other appropriate established and approved Board policies. The acceptance of any gift-in-kind is subject to compliance with the Gift and Acceptance Policy of the Weatherford ISD Board of Trustees.

FISCAL AGENTS

The Weatherford ISD Education Foundation may designate such fiscal agents, investment advisors and custodians as the Board of Directors may select by resolution. The Board of Directors may at any time, with or without cause, discontinue the use of the services and any such fiscal agent, investment advisor or custodian.

JEOPARDY INVESTMENT

The Weatherford ISD Education Foundation will make best efforts to invest and reinvest in such a manner that carries out the educational purposes for which the Weatherford ISD Education Foundation is organized.

REASONABLE RETURN

The Board of Directors will take steps to assure that each Director, agent, or custodian of all of the trusts or funds that are a component part of the Weatherford ISD Education Foundation, administers them in accordance with accepted standards of fiduciary conduct to produce a reasonable return of net income.

FUND RECEIPTS AND REJECTION (GENERAL)

The Weatherford ISD Education Foundation reserves the right to accept or reject any funds or gifts for any reason it deems appropriate.

Funds and gifts will normally be rejected if:

1. The acceptance is not in keeping with the philosophy of the Weatherford ISD Education Foundation or the Weatherford Independent School District.
2. The funds are not to be used in a manner that will further the purposes of the Weatherford ISD Education Foundation.
3. The acceptance of the funds or gifts may cause an additional financial burden on the Weatherford ISD Education Foundation and/or the Weatherford Independent School District.
4. The acceptance of such funds would violate any federal, state or local law, ordinance or regulation.

ANNUAL DISTRIBUTIONS

The Weatherford Education Foundation will make annual distributions for one or more of the educational purposes for which it is organized in an amount determined by the Board of Directors to be appropriate. This includes administrative expenses and amounts paid to acquire an asset used (or held for use) directly in carrying out one or more of its purposes. There will be no discrimination in the distribution of funds, which violates any federal, state or local law, ordinance or regulation.

EXPENDITURE RESPONSIBILITY

Through the Board of Directors, the Weatherford ISD Education Foundation will exercise "expenditure responsibility", as defined in Section 4945 (h) (1) and (2) of the Internal Revenue Code of 1986, as now enacted or as hereafter amended, with respect to all grants and distributions.

Grants and Gifts from Private Sources

(Note: This is a suggested policy that should be mutually agreed upon by the Board of Trustees and the Foundation Board of Directors)

Any item, whether purchased or donated, that is given to a school or program of the Weatherford Independent School District by a group or individual shall become the property of the Weatherford Independent School District. The principal or program supervisor shall submit to the Business Office a written listing of each gift, its value and the donor within five working days of receipt of the gift. The Business Office shall record the gift(s) on the fixed asset inventory of the Weatherford Independent School District, when appropriate, and shall submit a listing of all gifts, their value and their donor, annually to the Board of Trustees for formal acceptance and acknowledgment of the contribution.

If the item is given without a specific use designation, the item may be allocated for use by any school or program upon the decision of the Superintendent or his/her designee.

If the item is given with a specific use designation, the item shall be used only for the designated purpose or in the designated school or program. It shall be the responsibility of the principal or program supervisor to clearly identify each item that has a specific use designation. Items improperly identified as "specific use" shall be removed from the school or program and placed in the general inventory of the Weatherford Independent School District for general use.