

The Educational Foundation of Alpha Gamma Rho

Policies & Guidelines Governing Use of Gifts

I Articles of Incorporation & Bylaws

1. Article III – Purposes

The purposes of this not-for-profit corporation are:

“B. To receive money or property by gift, devise or bequest, and to hold, manage, sell, invest and reinvest, use, operate devote and expend such money or property and the proceeds, and the income thereof...”

2. Bylaws – Article III – Grants, Gifts and Loans:

“Section I. The Directors shall have the authority to determine and designate:

- a) the conditions under which money or property may be received by the corporation:
- b) the management and use of all money and property of the corporation within the scope authorized by the Articles of Incorporation.”

3. Only one article in the Articles of Incorporation & Bylaws makes reference to donors and their rights (Bylaws – Article IV-Section I) and then only to urge the donor to make a gift. The power to determine the usage of the gift is with the Directors. However, without certain understandings and ability of the donor to designate (at the time of giving) how his gift should be used, the growth of the Foundation will be impaired.

II Use of Gifts from Mailing Appeals

1. Any gift received by the Foundation as a direct result of a mailing appeal will be deposited in the Foundation treasury within two weeks and the transaction recorded in the Foundation books.
2. Any donor to the Foundation shall be given the opportunity to earmark his donation for any specific purpose or function within the scope authorized by the Articles of Incorporation. A record will be kept of all such designations.

3. It will be the intent of the Board of Directors to use all earmarked funds for the designated purpose(s) as earmarked by the donor within the scope authorized by the Articles of Incorporation. The Board of Directors will have the authority to redesignate the use of any gift not within the scope authorized by the Articles of Incorporation.
4. All funds received without specific designation or earmarking will be credited to the general fund of the Foundation treasury.
5. The Secretary will establish a special fund [restricted fund] within the Foundation treasury for any designated or earmarked funds subject to the final approval of the Board of Directors at their next meeting.
6. All designated or earmarked funds will be applied and appropriated for existing programs within the Foundation when applicable. Any designated or earmarked funds in excess of the existing or subsequently approved amounts will be directed to expansion of existing programs or development of new programs.
7. All designated or earmarked funds within the scope of the Articles of Incorporation but not applicable to any existing program will be held intact in a special fund within the Foundation treasury until such a program can be developed and approved by the Board of Directors.
8. All designated or earmarked funds for specific chapters shall be made available to those chapters under the same general guidelines governing the existing matching funds program with the designated or earmarked funds, constituting the chapter's portion of the matching funds which is to be matched by an equal portion from the general fund of the Foundation.
9. The maximum amount of funds from the general fund of the Foundation made available to any one chapter during any one year shall be fixed by the Foundation Board of Directors.
10. Any designated or earmarked funds for any one chapter during a year exceeding the maximum or any designated or earmarked funds not requested by a chapter will remain intact within a special fund in the Foundation treasury. These funds will be made available in any subsequent year under the same provisions.

11. For any chapter to receive these designated or earmarked funds, they must first present a written proposal to the Board of Directors indicating:

- a) Amount of funds requested
- b) Use of the funds
- c) Criteria determining selection (when applicable)
- d) Persons responsible for selection
- e) Length of the program
- f) Frequency of need
- g) Other important specific information

III Use of Gifts from Sources Other The Annual Appeal

1. Any gift received by the Foundation from any source other than the mailing appeals in the amount of \$5,000 or less will be deposited in the Foundation treasury and the transaction recorded in the Foundation books, unless it is of an unusual nature. In that event, the acceptance of that gift will be determined by a vote of the Board of Directors at their meeting or by mail.
2. If the donor of such a gift designates all or a portion of the gift for a specific purpose or use, within the scope of the Articles of Incorporation, it is the intent of the Board of Directors to apply such to existing programs when applicable, or develop and approve new programs if existing programs do not fit the needs of the designated funds.
3. Any funds designated for specific chapters will be credited to a special Fund, and its use determined by existing programs with those chapters or programs developed, and approved by the Board of Directors in response to a written proposal presented by the chapter outlining its specific needs and purposes.
4. Gifts offered to the Foundation in excess of \$5,000 are most welcome but, if they are of an unusual nature, they will be received, deposited and recorded only after vote by the Board of Directors after the conditions have been reviewed and accepted.