



OPTIMIST INTERNATIONAL
F O U N D A T I O N

Optimist International Foundation **Policies**

As of Board of Directors Meeting: February 3, 2022



OPTIMIST INTERNATIONAL FOUNDATION

TABLE OF CONTENTS

I.	Section A: Mission and Criteria for Allocation of Funds	pg. 1
	a. Policy A-1 – Mission Statement	
	b. Policy A-1b – Vision Statement	
	c. Policy A-1c – Tagline	
II.	Section B: Board of Directors and Members	pg. 2
	a. Policy B-1 – Board Member Qualifications	
	b. Policy B-3 – Role of Members of the Board of Directors	
	c. Policy B-4 – Election of Board Members	
	d. Policy B-5 – Letter of Understanding between Optimist International Foundation and Board Member	
	e. Policy B-8 – Schedule of Board/Committee Meetings	
	f. Policy B-9 – Election of Board Officers	
III.	Section C: Convention	pg. 6
	a. Policy C-1 – Foundation Report at Convention	
	b. Policy C-3 – Information Center	
IV.	Section CS: Club Services	pg. 7
	a. Policy CS-1 – Club Campaign Fund	
	b. Policy CS-2 – Pass Through Program	
	c. Policy CS-3 – Club Grant Program	
	d. Policy CS-3A – Childhood Health and Wellness Grant	
V.	Section D: Donation Records and Acknowledgements	pg. 11
	a. Policy D-2 – Donation Records	
	b. Policy D-3 – Acknowledgement of Donations	
	c. Policy D-5 – Recording of Raffle Proceeds	
	d. Policy D-6 – Club Designated Funds Distribution	
VI.	Section E: Employee Policies	pg. 12
	a. Policy E-1 – Employee Policy Manual	

- VII. Section EN: Endowments pg. 13
- a. Policy EN-1 – Endowments
 - b. Policy EN-2 – Fee Related to Payee
 - c. Policy EN-3 – Reinvestment of Accrued Endowment Earnings
 - d. Policy EN-4 – Reinvestment of Accrued JOI Endowment
 - e. Policy EN-5 – Reinvestment of Accrued Earnings Pave-the-Way Endowment
 - f. Policy EN-6 – 12-Quarter Moving Average for Calculating Endowment Return
- VIII. Section F: Finance pg. 15
- a. Policy F-3 – Expense Reimbursement Requests from Optimist International
 - b. Policy F-5 – Spending Rule
 - c. Policy F-7 – Board of Directors' Expense Reimbursement Policy
 - d. Policy F-9 – Investment Guidelines
 - e. Policy F-11 – Receipt and Administration of Restricted Funds
 - f. Policy F-12 – Issuance and Use of Corporate Credit Cards
 - g. Policy F-13 – Capital Expenditures Policy
 - h. Policy F-14 – Insurance Policy Premiums
 - i. Policy F-15 – Travel Policy
 - j. Policy F-16 – Proceeds From Insurance Policies and Bequests
- IX. Section FC: Foundation Committees pg. 19
- a. Policy FC-3 – Role of Women’s Philanthropy Council
 - b. Policy FC-3C – Expansion and Recognition for the Women’s Philanthropy Council
- X. Section M: Miscellaneous Areas of Concern pg. 21
- a. Policy M-1 – Conflict of Interest
 - b. Policy M-2 – Fund Raising Presentation Guidelines
 - c. Policy M-3 – Consideration of Presentations by a Business or Vendor
 - d. Policy M-4 – Usage of Foundation's Name and Logo
 - e. Policy M-5 – Contractual Agreements
 - f. Policy M-6 – All Travel
 - g. Policy M-7 – Legal Counsel
 - h. Policy M-8 – Memorial Recognition – Current and Past Board Members
 - i. Policy M-9 – Vendors at the International Convention to Benefit the Foundation
 - j. Policy M-10 – Donor Privacy Policy
 - k. Policy M-11 – Assessment of Performance and Effectiveness
 - l. Policy M-12 – Gifts to Go Out of the Country
 - m. Policy M-13 – Disaster Recovery Plan
 - n. Policy M-14 – Succession of the Executive Director
 - o. Policy M-15 – Document Retention and Destruction Policy
 - p. Policy M-16 – Bi-Annual Effectiveness Report

XI.	Section P: Promotions, Recognition and Awards	pg. 31
	a. Policy P-4 – Individual and Club Recognition Levels	
	b. Policy P-5 – Awards for Clubs	
	c. Policy P-7 – Awards for Districts	
	d. Policy P-9 – Christian D. Larson Partners	
	e. Policy P-10 – Recognition for Unrestricted Gifts	
	f. Policy P-11 – Childhood Cancer Campaign	
	g. Policy P-12 – Club Recognition for Estate Gifts from Individual Club Members	
XII.	Section PG: Planned Giving	pg. 34
	a. Policy PG-3 – Recognition of Planned Gifts	
	b. Policy PG-4 – District Recognition of Planned Gifts	
XIII.	Section S: Scholarships	pg. 35
	a. Policy S-5 – Scholarship Awards Administration	
	b. Policy S-6 – Recognition of Scholarship Donors	
	c. Policy S-7 – Regarding Split District Scholarships	
XIV.	Section SR: District Foundation Representatives	pg. 36
	a. Policy SR-1 – Role of District Foundation Representatives	
	b. Policy SR-3 – Recognition Program for District Foundation Representatives	
	c. Policy SR-4 – Communications Expense Reimbursement	
	d. Policy SR-7 – District Foundation Representative Appointment	
XV.	Appendix 2: Investment Guidelines	pg. 38
XVI.	Appendix 3: Gift Acceptance Policy	pg. 39
XVII.	Amendment 1: Charitable Gift Annuities	pg. 41

POLICIES

Section A – Mission and Criteria for Allocation of Funds

Policy A-1 – Mission Statement

The mission statement of the Optimist International Foundation is as follows: Seeking, receiving and managing funds and real and personal property for the benefit of Optimist International and its Member Clubs for charitable, literary and educational activities.

Policy A-1b – Vision Statement

We envision a Foundation that can provide significant funding for Optimist International’s youth and service programs and is proudly supported by individual Optimists, their Clubs, and the community at large.

Policy A-1c – Tagline

The tagline for the Optimist International Foundation is “Helping Optimists Help Kids.”

Section B – Board of Directors and Members

Policy B-1 – Board Member Qualifications

The following are the qualifications for Board Members:

- To be a Member of an Optimist Club in good standing
- A financial supporter within his/her means for the last five years
- To be eligible to vote in the OIF election (contributed at least DAD the prior Optimist year)
- Must submit a letter of endorsement from a Past Governor from their primary District
- An understanding of business practices and has a background that will allow him/her to contribute to the good management of the Foundation
- Has served as DFR or a Past International President
- Not engaged as a vendor for the Foundation
- Ability to dedicate the necessary time and energy toward achieving the assigned goals
- Not a resident of an Optimist International District in which another member of the Board resides
- Financial stability sufficient to accept the position without creating an undue hardship in respect to finances or employment status
- No significant legal, business or personal problems that might cause embarrassment to the organization
- Ability and willingness to attend all Board meetings and functions required to fulfill obligations as a Board Member
- Physical capability of handling the demands of the position and have no known serious health problems that might restrict activity
- Willingness to support and uphold the Bylaws , Policies, and Mission of the organization
- Willingness to relinquish membership should he/she become unable to fulfill any of the obligations above
- Board Members attending Foundation functions for which there is an admission charge buy their own tickets in advance. Tickets costs are not reimbursable as an expense

Policy B-3 – Role of Members of the Board of Directors

Members of the Board of Directors shall:

- Seek, receive and maintain funds
- Actively engage and provide support to a team of District Foundation Representatives and stimulate them to raise money for the Foundation
- Serve on an operating or administrative committee of the Foundation Board as needed
- Help ensure Foundation Committee continuity at the District level

- Assume other normal responsibilities of a Board Member

Policy B-4 – Election of Board Members

The Executive Director utilizing Staff, shall:

- On October 1 of each administrative year, publish on the Optimist International Foundation web site, the requirements for nominations to the Board of Directors for At Large Members and the Past Optimist International President position.
- All nominations for the positions must be received prior to December 1. No nominations will be accepted after said date.
- Assure that the candidates accept the nomination and they have all the required qualifications.
- Prepare a short resume of each candidate, and prepare a ballot. On February 1, place the ballot and the resumes on the Optimist International Foundation web site with instructions on how to vote. All voting must be completed February 1 through February 28. Hard copies of the ballots will be retained by Staff through the end of the fiscal year.
- The ballot must contain a place for the voter's name, Club and Member number, which will be used to assure the voter, is a Foundation Donor, who has contributed \$36.50 unrestricted or more, in the preceding administrative year. Formal results of the election will be announced at the International Convention meeting of the Board.
- A \$365 or more unrestricted donation from a Club, not individuals in a Club, could qualify the Club for one vote to be cast by the Club's Foundation Representative.
- Although the election process will be accomplished on the web site, all other media available to the Staff would be used to direct the Donors to the web site, for the election process. If web access is not available to the Donor, staff may accept electronically transmitted or mailed ballots.

Policy B-5 – Letter of Understanding between Optimist International Foundation and Board Member

Upon the election of a member, staff shall obtain the signatures of the President of the Foundation and the newly elected Board Member upon the letter of understanding, before the new Member begins service on the Board.

LETTER OF UNDERSTANDING BETWEEN
OPTIMIST INTERNATIONAL FOUNDATION AND BOARD MEMBER

You have been selected by Optimist Donor Members (or if by the Board, the Board of Directors) of the Optimist International Foundation for the position of Board Member of Optimist International Foundation for the term from October 1, ____ to September 30, _____. You have indicated that you have served as a District Foundation Representative or a Past International President and have an understanding of business practices allowing you to contribute to the good of the Foundation.

You have been asked to fill an extremely important position in the organization, which requires your dedication, loyalty, energy, significant amounts of time, some financial sacrifice and support of the organization's Mission and Purpose statements.

Following are some of the more important factors, which need to be considered before accepting this responsibility:

Optimist International Foundation agrees to:

1. Provide necessary information, supplies, etc. needed to assist you in your duties as a Foundation Board Member.
2. Reimburse appropriate expenses and pay per diem in accordance with current Optimist International Foundation policies (copy attached).

Optimist International Foundation Board Member agrees to:

1. Remain an Optimist Member in good standing.
2. Continue to be a financial supporter of the Foundation within your means and remain eligible to vote.
3. Continue not being a Vendor for the Foundation and be able to sign an annual no-conflict-of-interest statement.
4. Be available for this position and to dedicate the necessary time and energy toward achieving the assigned goals.
5. Remain financially stable and able to accept this position without creating an undue hardship in respect to finances or employment status.
6. Have no significant legal, business or personal problems, which might cause an embarrassment to the organization.
7. Be able and willing to attend all Board meetings and functions required to fulfill your obligations as a Member of the Board of Directors.
8. Be physically capable of handling the demands of this position and have no known serious health problems, which might restrict activity.
9. Be prepared to support and uphold the Bylaws and Policies of the Optimist International Foundation.

10. Be prepared to support the Mission and Purpose statements of the Optimist International Foundation.
11. Agree that you will relinquish membership on the Optimist International Foundation Board of Directors should you be unable to fulfill the obligations stated in items 1 through 10 above.

Optimist International Foundation Board Member	Date
Optimist International Foundation President	Date

Policy B-8 – Schedule of Board/Committee Meetings

The Foundation President-Elect determines an Annual Meeting Schedule for his or her Optimist year, and informs the Foundation’s committees and Board Members of the schedule at the last Board Meeting of the Foundation’s fiscal year.

Policy B-9 – Election of Board Officers

The President may appoint a nominating committee to recommend officers for the next fiscal year at the first meeting of the fiscal year.

Nominations to be presented at a meeting (which may be by phone or electronic means) of the Board of Directors after the Board election has concluded.

Officers will be elected at the Convention meeting of the Board to take office at the beginning of the next fiscal year.

Section C – Convention

Policy C-1 – Foundation Report at Convention

The Board of Directors shall request Optimist International to provide appropriate time, during a general session of the Annual Convention, for a report on the Optimist International Foundation.

Policy C-3 – Information Center

The Foundation will sponsor an Information Center at the Optimist International Convention for the purpose of promoting the Foundation and to receive donations. The primary purpose of the Information Center is informational.

Section CS – Club Services

Policy CS-1 – Club Campaign Fund

Guidelines:

1. Purpose of fund must be charitable and must support literary, educational or charitable programs of the Club.
2. Currently 3% simple interest.
3. Fund must be established for a minimum of three (3) months before withdrawal may be processed.
4. Maximum fund balance is unlimited.
5. Minimum fund balance of \$500 before a withdrawal may be requested.
6. Minimum withdrawal from fund is \$500.
7. Withdrawals are requested in writing by the Club Campaign contact person as authorized by the Club President or Secretary/Treasurer. The principal is paid out first before the interest.
8. To meet auditors' requirements, request for withdrawal must be in writing and match the charitable purpose for which the fund was established.
9. This campaign is separate from all Optimist International Foundation programs and no prior contributions may be attributed to the Club Campaign Fund.
10. Contributions must be designated by the Donor on check or attached paperwork for the Club Campaign Fund at the time of remittance.
11. Please make check payable to Optimist International Foundation.
12. The funds are restricted for Club's Campaign Fund only.
13. No individual or Club recognition is given for Club Campaign gifts.

Advantages to Club:

1. Contributors can make tax-deductible gifts to Optimist International Foundation designated for local Club projects and programs.
2. Quarterly report from Optimist International Foundation.
3. Means to accumulate funds for a special program or project.
4. Means to attract funds from outside of membership.

Advantages to Optimist International Foundation:

1. A way to assist Clubs in obtaining tax-deductible donations to support local projects and programs.

Policy CS-2 – Pass Through Program

Guidelines:

Optimist Clubs seeking grant funds or contributions for funding of charitable community service projects or other charitable, literary or educational programs, may request the assistance of Optimist International Foundation (OIF) as a 501(c)(3) charitable organization. This program is only available in the United States. Clubs must follow the guidelines below to qualify for the Club Pass Through Grant Program.

- The Club President or Treasurer must sign the completed OIF Pass Through Grant Application and mail or electronically transmit to the Optimist International Foundation.
- If trying to secure a grant from a corporation or foundation that has their own Grant Application Form, the Club should complete any information pertaining to the Club (but leave the 501(c)(3) signature section blank) and forward that to the Foundation. The Foundation will complete the information regarding the 501(c)(3) and attach any documents that may be necessary. The Foundation will mail the completed form and documents to the corporation/foundation/grantor and send a copy to the Club contact listed on the form.
- Checks received from corporations/foundations/grantors must be made payable to “Optimist International Foundation.” OIF will deposit the check and issue a check to the Club for the amount received after the check has cleared the OIF bank. Unless otherwise directed, the check will be sent to the Club officer who signed the application form. A tax receipt will be issued to the corporation/foundation/grantor in January of the following year.
- The Club must report to OIF a final accounting of all grant funds received, using the form that will be mailed with the OIF check issued to the Club. OIF cannot proceed with any further Club Pass Through Grants for the Club until a final report is received from the Club.

Please note:

- The amount of funds qualifying for this program is \$100 or more per Donor/grantor. OIF cannot process Pass Through gifts that are property or real estate. (See “Is It a Charitable Income Tax Contribution Deduction?” on the OIF website for more information.)
- Recognition is not applicable with Pass Through Grant funds.

Policy CS-3 – Club Grant Program

The Board of Directors allocates funds annually to support the Club Grant program.

Club Grant Program Considerations:

- Any adult Club (not JOI or associate Clubs) served by the Optimist International Foundation is eligible to apply for a grant.
- Grants will be awarded in amounts of \$250 to \$1,000.
- Grants are made available only for new projects of Clubs.
- The project must take place any time from April of current grant year through March of the next year and must be concluded within that time span.

- Club projects must be charitable, literary or educational in nature so that gifts given in support of the project would be considered tax deductible.
- Projects that assist children and foster diversity will be most favorably considered.
- Grants will be made as matching grants, with Clubs expected to show plans for matching the money and reporting on its results.
- Grants will be made for a single year only. There will be no multi-year commitments.
- The review committee will strive to achieve geographical balance and programming diversity in awarding the grants.

Job Description for Optimist International Foundation Club Grant Review Committee Member

Job Description:

In March 2008, the Board of Directors of the Optimist International Foundation approved a Club Grant Review Committee to be appointed by the President of the Foundation with input from the President-Elect in consultation with the Executive Director. The committee members will serve a two-year appointment. The President may choose to reappoint committee members, but, if so, for no more than one additional term. The committee will number five individuals (one of whom will be a member of the Foundation Board of Directors). Committee members will report to the Executive Director, who also serves as an ex officio member of the Committee. The President of the Board will serve as an ex officio member of the Committee in the year he/she serves as President.

In making the appointments, these factors will be considered:

Personal Philanthropic Commitment:

- Strong commitment to the Optimist International Foundation as evidenced by regular giving to the Foundation over a number of years
- Membership in the Presidents Club and/or William H. Harrison Society and/or Christian D. Larson Partners

Personal Qualities:

- The ability to hold and maintain information in confidence is extremely important.
- Members must strongly believe in the importance of Optimism and the necessity of financially supporting the Foundation.

Skills and Accessibility Required:

- Personal/professional flexibility in scheduling to allow appropriate attention to grant applications in a relatively small window of time
- Must be computer literate and internet connected and available by electronic means and by phone.
- Regular attendance at the International Convention would be an asset.
- Comfortable with and able to relate well to people on an individual, small-group, or large-group basis as opportunities arise to explain the program.

Member Responsibilities:

- Assume responsibility for reviewing grant applications and evaluating them impartially according to guidelines.
- Must be willing to recuse self if asked to evaluate a grant application from his/her own Club.
- Be available for and prepared to participate in electronic meetings.
- Occasionally represent the Foundation at meetings or events, speaking about the Club Grant Program.
- Participate in a workshop promoting the Club Grant Program at the International Convention.

Policy CS-3A – Childhood Health and Wellness Grant

The Board of Directors allocates funds annually to support the Childhood Health and Wellness program.

Childhood Health and Wellness Grant Considerations:

- Any adult Club (not JOI or associate Clubs) served by the Optimist International Foundation is eligible to apply for a grant.
- Grants will be awarded in amounts of \$250 to \$1,000.
- Club projects must be for one of the four (4) approved focus areas of the Childhood Health and Wellness Program from Optimist International.
- Grants will be made as matching grants, with Clubs expected to show plans for matching the money and reporting on its results.
- Projects that assist children and foster diversity will be most favorably considered.
- Application deadlines will be determined by the OIF Board in July of each year for the following Fiscal Year and announced through all normal website and social media outlets.
- The project must be completed within one year of when the grant is awarded.
- Grants are available for new and ongoing projects. Projects can only be awarded one time.

Job Description for Optimist International Foundation Childhood Health and Wellness Grant Review Committee Member will be the same as those outlined in Policy CS-3 – Club Grant Program

Section D – Donation Records and Acknowledgements

Policy D-2 – Donation Records

Donor records are to be made available to District Foundation Representatives quarterly and upon request.

Policy D-3 – Acknowledgement of Donations

Acknowledgement letters are to be sent for contributions. At calendar year-end, an annual tax receipt for all individual contributions will be sent.

Policy D-5 – Recording of Raffle Proceeds

To meet regulations of the Internal Revenue Service, proceeds from raffles cannot be recorded as contributions from those who purchase raffle tickets. In order to comply with this regulation, proceeds from raffles will be recorded as follows:

1. Donors of prizes awarded at raffles may receive contribution credit for the actual value of the prize.
2. All other funds received by the Foundation from the sale of raffle tickets will be recorded as miscellaneous District money.

Policy D-6 – Club Designated Funds Distribution

Childhood Cancer Campaign Club-designated funds are to be distributed within thirty days of receipt; if not, the funds must have, Club Campaign Fund or Pass Through Program approval.

Section E – Employee Policies

Policy E-1 – Employee Policy Manual

The Foundation has adopted the Employee Policy Manual of Optimist International to be used by Foundation’s employees with the understanding that references to “Executive Director” shall be interpreted to mean “Foundation Executive Director.” Policy changes will be reviewed by the Foundation Executive Director and may be modified at the discretion of the Board of Directors before being adopted for Optimist International Foundation employees. Any deviation from Optimist International policy will be noted within the Optimist International Policy Manual.

Section EN - Endowments

Policy EN-1 – Endowments

NOTE: Endowments established before April 2005 follow the guidelines of the document used to establish the endowment.

The Optimist International Foundation allows individuals, Clubs, or Donors to establish a permanently endowed fund. The purpose of the fund may be restricted to any charitable, literary, or educational program conducted by the establishing Donor so long as the operating Club or entity exists. The endowment spending policy of the Optimist International Foundation is designed to grow principal to support the endowment's purpose forever. If the Club or entity ceases to exist, the market value of the endowment becomes part of the general unrestricted endowment of Optimist International Foundation and its future use will be allocated among the various charitable, literary, and educational programs of Optimist International.

Once a year, in March, the OIF will pay out the lesser of interest earned in the previous year, -- up to 5% (or 90% of the interest earned in the previous year). The balance of earnings, if any, will be included in the market value of the fund for future earnings calculations. Governing documents will allow for the possibility of implementing a management fee in the future.

Policy EN-2 – Fee Related to Payee

If the payout recipient of a 21st Century Endowment is an entity other than Optimist International or one of its Clubs, the Optimist International Foundation, or a project of an Optimist Club, the Foundation will assess an annual fee of one percent of the fair market value of the fund or the accrual balance for the fund, whichever is greater.

Policy EN-3 – Reinvestment of Accrued Endowment Earnings

The Board of Directors will reinvest accrued endowment earnings exceeding an estimated three-year payout requirement into the fund balance and consider the reinvested earnings part of the permanently endowed balance.

Policy EN-4 – Reinvestment of Accrued JOI Endowment

The Board of Directors will reinvest accrued endowment earnings exceeding an estimated three-year payout requirement into the fund balance and consider the reinvested earnings part of the permanently endowed balance.

Policy EN-5 – Reinvestment of Accrued Earnings Pave-the-Way Endowment

The Board of Directors will reinvest accrued endowment earnings exceeding an estimated three-year payout requirement into the fund balance and consider the reinvested earnings part of the permanently endowed balance.

Policy EN-6 – 12-Quarter Moving Average for Calculating Endowment Return

Beginning October 1, 2008 and moving toward a 12-quarter average until 12 quarters are reached; the endowment return will be calculated using a moving average.

Section F – Finance

Policy F-3 – Expense Reimbursement Requests from Optimist International

Inasmuch as certain Optimist International expenses are supported by Member dues and other fees paid by Members, it is suggested that internally generated expenses should be provided by Optimist International to the Foundations without charge, i.e. office space, utilities, office supplies, equipment, computer support, telephone (except long distance costs), magazine listing, etc.; and that externally generated expenses, i.e. vendor expenses, meetings, salary and benefits costs; should be paid by the Foundation.

Optimist International will allow the Optimist International Foundation to list donors of \$1,000 or more and to recognize successful District representatives in each issue of *The Optimist* magazine at no cost. In addition, space will be available in *The Optimist* magazine for promoting the events and programs of Optimist International Foundation.

The Foundation Executive Director may make advance payments to Optimist International against the monthly transaction statements upon receipt of a request from Optimist International.

All Optimist International reimbursement requests must be received within 30 days of such expenditures and all requests from the prior year must be received by November 30. The Executive Director of the Foundations may grant additional time to Optimist International as appropriately needed.

Policy F-5 – Spending Rule

The spending policy will reflect these grants:

1. A continuing commitment to Optimist International to fund the Optimist International scholarships from the communications contests for essay, oratory and the Communications Contest for the Deaf and Hard of Hearing (CCDHH).
2. The Optimist International Foundation will continue to assist with funding for *The Optimist* magazine with a specific grant of \$5,000 annually.
3. Additionally, Optimist International Foundation will provide a specific program grant designated for Junior Optimist of \$85,000 annually.

The ultimate goal is to achieve a spending policy that will be up to five percent of the unrestricted net assets - minus investment in property, plant and equipment – as of the previous year's audit.

Policy F-7 – Board of Directors' Expense Reimbursement Policy

The Foundation will reimburse actual expenses incurred by the Board of Directors during meetings of the Board and Board committees. During attendance at the Annual Convention of Optimist International, Board Members will be reimbursed at the rate of \$100 per diem during the Convention and for one day traveling to the meeting and one day traveling home from the Convention, excepting meeting days for which actual expenses are paid.

1. Board Members traveling on behalf of the Foundation shall be reimbursed actual transportation costs, by the most direct route, up to:
 - a. Lowest available airfare not to exceed coach airfare. All airfare should be booked 21 days in advance. Any variation from this policy will require prior approval from the Executive Director or will be reimbursed at the lowest available fare based on 21-day advance booking.
 - b. Railroad fare not to exceed cost of coach airfare
 - c. Automobile travel reimbursement per mile to be consistent with the rate used by Optimist International, the total reimbursement not to exceed the cost of coach airfare.
2. Taxi or airport limousine fares are allowable in making airplane or train connections. Airport parking is also allowable when an individual lives ten miles or more from the airport terminal and commercial transportation is not available. Toll charges, garage and other miscellaneous travel expenses are also reimbursable. If two or more authorized individuals travel together in one automobile, only one shall receive mileage allowance.
3. Actual expenses to exclude alcoholic beverages.

{3/11; 7/08; 7/07; 6/05; 12/01; 2/00; 2/98; 9/94; 10/92; 3/91; 12/88}

Policy F-9 – Investment Guidelines

Investment of Foundation funds shall be made in accordance with the Investment Policy Guidelines as written. (See Appendix 2)

{12/05; 4/92; 1/92; 3/91; 6/88}

Policy F-11 – Receipt and Administration of Restricted Funds

Procedures for the receipt and administration of restricted funds are:

1. Restricted funds will be received only for programs approved by the Board of Directors of Optimist International and/or the Board of Directors of Optimist International Foundation.
 - a. Restricted funds may be **temporarily restricted** for those funds that will eventually be spent for a specific purpose. Example: Childhood Cancer Campaign gifts.

- b. Restricted funds may be **permanently restricted** by the donor and placed in endowment. Example: Gifts establishing or adding to endowment funds.
2. Interest earned on temporarily restricted funds will become a part of available Foundation funding per current policy.
3. Interest earned on endowment funds will be handled per the endowment agreement.
4. Donors will receive recognition as they would with any other contribution.
5. Temporarily restricted funds under \$5,000 must be expended within two years or they become a part of the permanent endowment unless they are part of Club Campaign Fund, Pass Through Fund, or being held for Optimist International.

Policy F-12 – Issuance and Use of Corporate Credit Cards

All Optimist International Foundation credit cards are to be used only for Optimist International Foundation business transactions.

Policy F-13 – Capital Expenditures Policy

The Foundation Executive Director is approved to make capital expenditures (i.e., office equipment, furniture, etc.) with a price up to \$5,000, and approval by the Foundation President is needed for purchases \$5,001 through \$10,000. Any purchases over \$10,000 require submittal for Board approval.

Policy F-14 – Insurance Policy Premiums

If a donor defaults on a pledge to the Optimist International Foundation, the securing institution will be reviewed by the Executive Director for recommendation to the Optimist International Foundation Board of Directors. If an insurance policy is less than half paid up, the Foundation will cash the policy in for the cash value.

If the value of the policy declines enough that the current cash value becomes a decision factor, the Executive Director will communicate with the Donor about his/her preference whether to (1) cash in the policy or (2) continue to hold the policy as it is.

Policy F-15 – Travel Policy

It is the policy of the Optimist International Foundation to pay the travel expenses (transportation, lodging and meals with proper receipt) of those individuals who are authorized to travel to achieve the mission of the Foundation up to the budgeted amount. Those authorized to travel on behalf of the Foundation shall be the Officers and Members of the Board of Directors, the Executive Director and staff, and from time to time, other Optimists. The purpose of such travel shall be to promote the mission and programs of the Foundation to individuals, businesses, Clubs, Zones and Districts. The Executive Director is expected to make regular visits to

individuals, Clubs, Districts, etc. The President and Executive Director are expected to attend the Governor's Conference and the President-Elect and Executive Director are expected to attend the Governor's-Elect Conference of Optimist International to promote the mission and programs of the Foundation.

It is expected that those traveling on Foundation business will do everything in their power to keep expenses to a minimum. It is the responsibility of the Executive Director to monitor the effectiveness of travel and report such to the Board of Directors.

Policy F-16 – Proceeds From Insurance Policies and Bequests

When the Optimist International Foundation receives undesignated bequest income or proceeds from donor life insurance policies (as owner or as beneficiary), in the amount of \$10,000 or more, those monies will be placed in unrestricted quasi-endowment.

The person in whose name the bequest or life insurance policy was given will be named at the appropriate level of Benefactor in memoriam and be listed as a member in memoriam of the Friends of Tomorrow.

Section FC – Foundation Committees

Policy FC-3 – Role of Women’s Philanthropy Council

Concept:

The purpose of the Women’s Philanthropy Council is to increase awareness and interest among women in contributing to the Optimist International Foundations and to raise funds for the Optimist International Foundation.

Job Description:

The Women’s Philanthropy Council and its Committee is an initiative of the Optimist International Foundation.

Meetings of the Women’s Philanthropy Council Committee, three times a year, will be convened by teleconference. One meeting will be held at the International Convention.

Qualities of Committee Members:

- Realizing that Members of the Council Committee will be sometimes dealing with donor giving histories, the ability to hold information in confidence is very important.
- Members must believe strongly in the importance of Optimism and the necessity of financially supporting the Foundation.
- In order to be effective in setting an example for giving, Members (or their spouses, if they do not give separately) should have a lifetime giving level of at least Honored Benefactor.

Skills Required of Committee Members:

- Members must be available by electronic means.
- Members should be comfortable using the Internet for research.
- Members must be willing to write reports about contacts and submit them in a timely manner.
- Members must be comfortable presenting information in a large- or small-group setting.
- Members must be able to participate in meetings conducted in English.

Committee Member Responsibilities:

- Participate in the activities and the meetings of the Council.
- Support the Optimist International Foundation with an annual gift that qualifies you, at minimum, for the Presidents Club.
- Locate and identify women who might be likely Donor prospects for the Foundation.
- Develop and maintain relationships with a selected group of female Donor prospects.
- Occasionally, represent the Foundation at meetings or events, speaking about women and philanthropy as appropriate.

- Participate in recommended philanthropic reading and study programs as developed by the Executive Director.
- Participate with other members of the Women’s Philanthropy Council Committee in conducting a workshop about women and philanthropy at the International Convention.
- Participate with other members of the Women’s Philanthropy Council Committee in conducting an annual fundraising activity on behalf of the Foundations.
- Participate with other members of the Women’s Philanthropy Council Committee in setting a goal for unrestricted contributions to be received annually through the Women’s Philanthropy Council.
- Follow up with selected women who respond to requests for information from the website, through the Focus on Women newsletter, or from other sources.

Policy FC-3C – Expansion and Recognition for the Women’s Philanthropy Council

The Women’s Philanthropy Council proposes adding a general annual donor recognition classification open to any individual, business, corporation, or foundation that contributes a minimum of \$100 restricted to the Women’s Philanthropy Council of the Optimist International Foundation during the Optimist year.

Donors may or may not be Members of Optimist International.

Donors will need to indicate by completing a form or noting on their check or online gift if they wish to be considered a Member of the Women’s Philanthropy Council. Donors of \$100 or more unrestricted who do not specify their gift for the Women’s Philanthropy Council will not be recognized as Members of the Women Philanthropy Council.

The Women’s Philanthropy Council will be restricted to an OIF Board Designated project within Optimist International. Beginning October 1, 2021 and valid for three (3) years, the designation restriction of the WPC donations will be the Optimist International World Oratorical Championship.

It is not the intention of the Women’s Philanthropy Council to spend significant funds to recognize donors to the Women’s Philanthropy Council. Donors will receive two email communications per year updating them on the use of their collective contributions. Additionally, donors will receive a lapel pin indicating participation in the Women’s Philanthropy Council.

Section M – Miscellaneous Areas of Concern

Policy M-1 – Conflict of Interest

Each Board Member will be required to declare on an annual basis any or all Conflicts of Interest while serving as a Member of the Board of Directors. In an effort to avoid the appearance of impropriety, full written disclosure shall be made by staff on behalf of any vendor or supplier of goods and/or services regarding their relationship to any past or present members of Optimist International or staff. The disclosure shall be made to the Board of Directors of the Optimist International Foundation and shall be included in the minutes of the meetings of the Board of Directors. Staff should make available a list of all such vendors and/or suppliers for Board review annually.

Policy M-2 – Fund Raising Presentation Guidelines

Any vendor who desires to conduct business with the Optimist International Foundation must meet the following criteria:

1. The vendor must submit a written proposal that fulfills all of the criteria as established by this guideline.
2. The vendor shall submit any proposal to the Executive Director of the Foundation for review, as to compliance with this guideline. The Foundation Executive Director and staff shall review all submissions by vendors, only to assure compliance with these guidelines and to detail impact on staff time and cost; not to determine the merit of the proposal.
3. The proposal must include an outline of the intent of the proposed service(s) and/or product(s), including an outline of the suggested implementation process.
4. The proposal must detail the benefit(s) and cost(s) to the Foundation.
5. The submitter shall meet all of the established guidelines for a vendor to the Foundation or a letter detailing why they cannot meet the guidelines, i.e. innovative product/service, must be submitted.
6. The proposal must include a listing of all other groups comparable to the Optimist International Foundation, either in number or discipline, now being serviced. Further, a contact person for each group, including address and telephone number, shall be provided for the express purpose of discussion of said service by any person designated by the Foundation Board.
7. The submitter must be willing to meet with the Board of Directors and/or staff, at no cost to the Foundation, to discuss or present the details of the proposal.
8. All transactions are on an "arm's length" basis. The vendor assumes all normal business risks.
9. No favoritism will be given because a vendor is an Optimist Member.
10. After review by staff, the proposal shall be forwarded to the Board.

11. The Board shall review and then, by majority vote, recommend any further action.
12. The submitter of a proposal must be aware that any and all proposals are subject to the competitive bid process.
13. Foundation staff will notify the Board of the Foundation regarding any Optimist Members with whom they are conducting business.

These guidelines shall be provided to each vendor by the Executive Director of the Optimist International Foundation or an assigned staff member upon request or receipt of any informal proposal.

Policy M-3 – Consideration of Presentations by a Business or Vendor

The Foundation President shall determine whether presentations by a business or vendor or other individuals will be permitted at meetings of the Board of Directors.

When considering a business or vendor for making a presentation to the Board of Directors of the Foundation, as part of the review process, the following items will be considered:

1. The track record of the business and its projected stability.
2. The provision of audited financial statements and current references from banks.
3. The availability of the item/project to all Optimist International members within the jurisdiction of the particular Foundation considering the proposal.
4. The profitability of the project.

Policy M-4 – Usage of Foundation's Name and Logo

The use of the Foundation's name and/or logo by District Foundation Representatives and Club Foundation Representatives for fund raising events and publications is acceptable. Reproductions for commercial use must be authorized through the Foundation Executive Director.

Policy M-5 – Contractual Agreements

Optimist Members do not have the authority to make contractual commitments on behalf of Optimist International Foundation unless specifically authorized by the Board of Directors. The Executive Director is authorized to enter into contracts on behalf of the Foundation for amounts less than \$25,000. Any contract requiring more than \$25,000 must be approved by the Board of Directors.

Policy M-6 – All Travel

Reimbursed travel for Optimist International Foundation will be coordinated through the Optimist International Foundation or Meeting Services of Optimist International. If an itinerary is made individually, the individual will obtain the final approval on the travel arrangement from the Foundation Executive Director.

Policy M-7 – Legal Counsel

Optimist International Foundation will seek legal counsel as needed on any pending legal question or action. The Executive Director, in consultation with the OIF President, will determine the best legal counsel to utilize.

Policy M-8 – Memorial Recognition – Current and Past Board Members

On the occasion of the death of a Past President of the Optimist International Foundation, the Board of Directors of the Foundation will provide an expression of sympathy in the form of a memorial contribution.

Note: Policy I-76 directs notification in *The Optimist* magazine.

On the occasion of the death of a sitting Board Member of the Optimist International Foundation, the Board of Directors will provide an expression of sympathy in the form of a memorial contribution.

On the occasion of the death of a past Board Member, the organization will provide a written expression of sympathy and notify current Members of the Board of Directors of the Optimist International Foundation.

Policy M-9 – Vendors at the International Convention to Benefit the Foundation

At the discretion of the Executive Director, vendors who request selling something at the Foundation's kiosk, with total proceeds going to the Foundation, will be offered a space in the House of Optimism with Foundation paying the OIF-affiliated rate for the cost of the booth.

At the discretion of the Executive Director, vendors who request selling something at the Foundation kiosk, with partial proceeds going to the Foundation, may be offered a space in the House of Optimism at the OIF-affiliated rate with or without partial payment of the OIF-affiliated rate by the Foundation.

Policy M-10 – Donor Privacy Policy

The Optimist International Foundation respects the privacy of its donors. The Foundation maintains current directory information (address, phones, email) and gift information. From time to time, donor information may be shared with volunteers – Board members, volunteer fundraising committees, and District Foundation Representatives working on behalf of the Foundation.

Various procedures have been implemented to safeguard the security and integrity of the personal information donors may provide. Personal information is accessible only by staff and volunteers designated to handle online complaints or requests. All Optimist International Foundation employees with access to personal information obtained on the website are also bound to adhere to this policy. AES encryption is employed on database files for donor records.

Information is used to communicate with the donor about volunteer and donation opportunities. Donors' information is shared with volunteers for the purpose of mailing or emailing Foundation updates, newsletters and solicitations.

Donors who do not wish their information to be shared with volunteers may request anonymity by phoning, writing, faxing, or emailing the Optimist International Foundation.

The Optimist International Foundation does not sell, trade or share donor information with other organizations, corporations or individuals.

Policy M-11 – Assessment of Performance and Effectiveness

The Board of Directors will, at least every two years, review and assess the performance and effectiveness of the Foundation and determine future actions required to achieve the Foundation's mission.

Policy M-12 – Gifts to Go Out of the Country

Distributions to Foreign Organizations:

Optimist International will not accept donations restricted to use by foreign Optimist Clubs, unless the Donor agrees to permit OIF to oversee the donation to ensure that funds are used for the exempt purposes of OIF and to seek correction of any misuse of the funds by the Club.

The Club may not be listed in Executive Order 13224 or on the list of Specially Designated Nationals as having committed or posing a risk of committing terrorist acts.

Club projects will be reviewed in detail and will determine whether or not the Club has the ability to both accomplish the charitable purpose of the grant and protect the resources from diversion to non-charitable purposes.

The terms of the grant will be in a written agreement signed by both OIF and the Club.

OIF will limit distributions to funds needed for specific purposes.

OIF will make periodic audits of the programs and require periodic financial statements by its agents.

OIF will seek correction of any misuse of funds by the Club.

OIF will comply with the relevant laws of the foreign jurisdiction in which the Club is located.

Income Taxation of Recipient Club:

The foreign Club must give OIF a Form W-8EXP (Certificate of Foreign Government or Other Foreign Organization for United States Tax Withholding).

Each time a distribution is made to a foreign Club, OIF will file a Form 1042-S (Foreign Person's U.S. Source Income Subject to Withholding), even if OIF is not required to withhold income tax.

To avoid the requirement that tax be withheld from the payment to the foreign Club, the foreign Club must either (i) certify that it has been issued a determination letter by the IRS (OIF should then obtain a copy of the determination letter) or (ii) provide an opinion from U.S. counsel concluding that the foreign Club is an exempt organization as described in Internal Revenue Code section 501(c).

If the foreign Club does not have a U.S. taxpayer identification number, then OIF may rely upon the Form W-8EXP for a period of time starting on the day of the Form is signed and ending on the last day of the 3rd succeeding calendar year. If the foreign Club does have a U.S. taxpayer identification number, then OIF may rely upon the Form W-8EXP until a change in circumstances makes any information on the Form incorrect provided that OIF reports on Form 1042-S at least one payment annually to the foreign Club.

Policy M-13 – Disaster Recovery Plan

Natural Disasters	Other Disasters	Items Affected	Complete Loss	Partial Loss	Recommended Actions	Assigned	Notes
Tornado – wind/water; fire; flood	Theft	Equipment				ED	
		Computers	Replace	Consider repair	\$5,000 deductible	IT	Laptops may be in the possession of individual staff members; desktops will be located in 3 rd floor Foundations’ suite
		Copier			Leased; work with OI on options	IT	Located on 3 rd floor
		Fax	Replace	Replace		IT	Located on 3 rd floor
		Phones			OI’s phone system; work with OI on options	IT	
		Records				IT	
		Computer	Unlikely	Limited to one week	Computer data on RE is backed up and stored off-site weekly; work with OI’s IT department for recovery; it might be necessary to hire our own IT recovery assistance if OI also had computer record loss.	IT	Data is housed on server in IT area of 1 st floor
		Paper files	Possible	Possible	EN files are only in CP’s office; donor files are only in JS’s office; Club Campaign and Pass Through are only in general Foundation filing areas; CGA files are in both ST’s and JS’s offices. Consider scanning or alternate backup.	DDS	Located primarily on 3 rd floor.
		Inventory – plates	Possible	Possible	\$5,000 deductible; replace only current year	DDS	Inventory in basement storage.
		Inventory – prints	Possible	Possible	\$5,000 deductible; replace only current year.	DDS	Inventory in basement storage.
		Inventory – awards	Possible	Possible	\$5,000 deductible; if a complete loss, would be very expensive given all the patches, pins, and lifetime awards we have in stock.	DDS	Inventory in basement storage.
	Computer Crash	Data and files	Possible	Possible	Would depend upon the cause of the crash, whether it might be covered by insurance. Would also depend upon whether OI was affected or just the Foundation. If OI was affected, our solutions would be developed in tandem with them. If only the Foundation, we would probably have to hire recovery assistance.	IT	

Key:

RE= Raiser's Edge

IT=Information Technology

EN=Endowment

CGA= Charitable Gift Annuity

ED= Executive Director

CFO=Chief Financial Officer

DDS= Director of Donor Services

Policy M-14 – Succession of the Executive Director

Committee:

The committee will be chaired by the President of the Optimist International Foundation and will include the entire Board of Directors.

Job Description:

The job description for the Executive Director will be reviewed and updated before advertising.

Advertisement:

Advertisement in St. Louis should be through an organization such as The Rome Group, at solutions@theromegroup.com. Their email list blankets the entire St. Louis not-for-profit community, making it unnecessary to advertise in the St. Louis newspaper. Optimist outlets should be used, including electronic means and *The Optimist* magazine -- if its deadlines and publication dates synchronize with the search calendar. If other national advertising is desired, The Chronicle of Philanthropy reaches the widest and most appropriate market.

Salary:

Salary should be set considering the St. Louis area market for not-for-profit Executive Director/CEO compensation (see www.salaries.com); in accordance with salaries for the Executive Director and senior staff at Optimist International; and with consideration to the successful candidate's experience at the executive management level in a not-for-profit setting, the candidate's education, and the candidate's professional certifications or designations.

Interim:

If the Executive Director of Optimist International cannot fulfill their duties, the Executive Director of the OIF would become the interim Executive Director of OI. Conversely, if the Executive Director of the OIF cannot fulfill their duties, the Executive Director of OI shall become the Interim Executive Director of the OIF. A Search Committee will be formed no later than the next regularly scheduled Board of Directors meeting to engage a permanent executive director.

Policy M-15 – Document Retention and Destruction Policy

Purpose:

In accordance with the Sarbanes-Oxley Act, which makes it a crime to alter, cover up, falsify, or destroy any document with the intent of impeding or obstructing any official proceeding. This policy provides for the systematic review, retention and destruction of documents received or created by the Organization in connection with the transaction of organization business. This policy covers all records and documents, regardless of physical form (including electronic documents), contains guidelines for how long certain documents should be kept and how records should be destroyed. The policy is designed to ensure compliance with federal and state laws and regulations, to eliminate accidental or innocent destruction of records and to facilitate the Organization's operations by promoting efficiency and freeing up valuable storage space.

Document Retention:

The Organization follows the document retention procedures outlined below. Documents that are not listed, but are substantially similar to those listed in the schedule will be retained for the appropriate length of time.

Corporate Records:

Annual Reports to Secretary of State/Attorney General	Permanent
Articles of Incorporation	Permanent
Board Meeting and Board Committee Minutes	Permanent
Board Policies/Resolutions	Permanent
Bylaws	Permanent
Construction Documents	Permanent
Fixed Asset Records	Permanent
IRS Application for Tax-Exempt Status (Form 1023)	Permanent
IRS Determination Letter	Permanent
State Sales Tax Exemption Letter	Permanent
Club and Member Records	Permanent
Contracts (after expiration)	7 years
Correspondence (general)	3 years

Accounting and Corporate Tax Records:

Annual Audits and Financial Statements	Permanent
Depreciation Schedules	Permanent
General Ledgers	Permanent
IRS 990 Tax Returns	Permanent
Business Expense Records	7 years
IRS 1099s	7 years
Journal Entries	7 years
Invoices	7 years
Sales Records (box office, concessions, gift shop)	5 years
Petty Cash Vouchers	3 years
Cash Receipts	3 years
Credit Card Receipts	3 years

Bank Records:	
Check Registers	Permanent
Bank Deposit Slips	7 years
Bank Statements and Reconciliation	7 years
Electronic Fund Transfer Documents	7 years
Payroll and Employment Tax Records:	
Payroll Registers	Permanent
State Unemployment Tax Records	Permanent
Earnings Records	7 years
Garnishment Records	7 years
Payroll Tax returns	7 years
W-2 Statements	7 years
Employee Records:	
Employment and Termination Agreements	Permanent
Retirement and Pension Plan Documents	Permanent
Records Relating to Promotion, Demotion or Discharge	7 years after term
Accident Reports and Worker's Compensation Records	5 years
Salary Schedules	5 years
Employment Applications	3 years
I-9 Forms	3 years after term
Time Cards	2 years
Donor Records and Acknowledgement Letters	7 years
Grant Applications and Contracts	5 years
Legal, Insurance and Safety Records:	
Appraisals	Permanent
Copyright Registrations	Permanent
Environmental Studies	Permanent
Insurance Policies	Permanent
Real Estate Documents	Permanent
Stock and Bond Records	Permanent
Trademark Registrations	Permanent
Leases	6 years after exp
OSHA Documents	5 years
General Contracts	3 years after term

Electronic Documents and Records:

Electronic documents will be retained as if they were paper documents. Therefore, any electronic files, including records of donations made online, that fall into one of the document types on the above schedule will be maintained for the appropriate amount of time. If a user has sufficient reason to keep an electronic message, the message should be printed in hard copy and kept in the appropriate file or moved to an "archive" computer file folder. Backup and recovery methods will be tested on a regular basis.

Emergency Planning:

The Organization's records will be stored in a safe, secure and accessible manner. Documents and financial files that are essential to keeping the Organization operating in an emergency will be duplicated or backed up at least every week and maintained off site.

Document Destruction:

The Organization's Executive Director is responsible for the ongoing process of identifying its records, which have met the required retention period and overseeing their destruction.

Destruction of financial and personnel-related documents will be accomplished by shredding.

Document destruction will be suspended immediately, upon any indication of an official investigation or when a lawsuit is filed or appears imminent. Destruction will be reinstated upon conclusion of the investigation.

Compliance:

Failure on the part of employees or contract staff to follow this policy can result in possible civil and criminal sanctions against the Organization and its employees or contract staff and possible disciplinary action against responsible individuals. The Treasurer will periodically review these procedures with legal counsel or the organization's certified public accountant to ensure that they are in compliance with new or revised regulations.

Policy M-16 – Bi-Annual Effectiveness Report

The Optimist International Foundation Board of Directors shall request the Executive Director to prepare an Effectiveness Assessment for the Board to review on a bi-annual basis in odd years. This Assessment will be in conjunction with the Better Business Bureau (BBB) submission to the *BBB Standards for Charity Accountability*.

Section P – Promotions, Recognition and Awards

Policy P-4 – Individual and Club Recognition Levels

The following are the recognition levels for gifts:

<u>Donation Amount</u>	<u>Level</u>	<u>Recognition Stone(s)</u>
\$1,000	Benefactor	No Stone
\$2,500	Honored Benefactor	Amethyst
\$5,000	Distinguished Benefactor	Aquamarine
\$10,000	Eminent Benefactor	Blue Sapphire
\$15,000	Bronze Benefactor	Yellow Topaz
\$25,000	Silver Benefactor	Ruby
\$50,000	Golden Benefactor	Emerald
\$75,000	Diamond Benefactor	Diamond
\$100,000	Copper Benefactor	2 Diamonds
\$250,000	Pearl Benefactor	3 Diamonds
\$500,000	Sterling Benefactor	4 Diamonds
\$1,000,000	Platinum Benefactor	5 Diamonds

Awards to individuals for attaining these levels are lapel pins.

Awards to Clubs consist of banner patches.

Policy P-5 – Awards for Clubs

The annual incentive award for Clubs to attain the established dollar-per-member goal of the Foundation shall be a banner patch embroidered, and a square tab bearing the dollar amount contributed on a per member basis. Dollar tabs will be available beginning with the established goal.

Clubs that, for the first time, achieve \$5 per member shall receive the OIF Circle Patch.

All Club awards will be awarded annually at the highest accumulated level, with the exception of the accumulated life-to-date awards that will be distributed as earned.

Contributions received from the Club Pass-Through Grant, Club Campaign Fund and 21st Century Endowment programs shall not be counted for Club recognition purposes.

Policy P-7 – Awards for Districts

Districts who achieve \$25,000 at the end of the Optimist year and beginning with the 2004-2005 Optimist year, \$50,000, \$75,000 and/or \$100,000 receive an OIF banner emblem reflecting the \$25,000 achievement, and in addition, receive name bar patches reflecting the names of the District Foundation Representative and District Governor. Contributions received from the Club Pass-Through Grant and Club Campaign Fund programs shall not be counted for this award.

Policy P-9 – Christian D. Larson Partners

The Christian D. Larson Partners Program was established for those who follow the Optimist Creed and help fund the Foundation's missions through their personal unrestricted gifts at the \$1000 level.

Approved Guidelines:

Memberships are numbered. Membership numbers are assigned on the date actual checks, cash or stock are received by the Foundation's bank or brokerage accounts and will not be based upon pledge date.

Memberships become available on gifts beginning July 5, 2006. Past gifts do not apply.

Membership numbers should be assigned irrespective of OIF or CCOF. In other words, Member 20 might give to CCOF and Member 21 might give to OIF.

Memberships are available to Individuals (not couples, or Clubs) only – but may be given by a Club in honor or in memory of someone.

Donors may or may not be Members of Optimist International.

Gifts must be for the unrestricted use of the respective Foundation.

Gifts are credited to the writer of the check and included in recognition totals.

Christian Larson Partners receive a plaque presented by the appropriate representative.

Christian D. Larson Partners, named by virtue of a Club gift, must be identified by a Club officer no later than the end of the fiscal year following the year the qualifying gift was received.

Policy P-10 – Recognition for Unrestricted Gifts

Restricted gifts from individuals will count for total lifetime giving recognition. Recognition will not apply for annual recognition awards.

Charitable contributions for all Optimist International scholarships will be treated as unrestricted gifts for the purpose of recognizing individuals and donors.

Policy P-11 – Childhood Cancer Campaign

The Optimist International Foundation will cease recognizing Childhood Cancer Campaign contributions as part of the annual recognition program at the beginning of the 2007-2008 fiscal year. Contributions count for lifetime giving.

{3/11; 7/07}

Policy P-12 – Club Recognition for Estate Gifts from Individual Club Members

Estate gifts are from deceased individuals. From time to time, the Foundation may choose to provide recognition to the Club of the deceased individual.

1. Such recognition may include writing a letter, providing a banner patch, a plaque, or some other form of recognition to be decided on an individual basis if requested by the Club.
2. The value of the estate gift will not be calculated in the Club's annual dollar-per-Member recognition even if the deceased individual was an active Member of the Club at the time of his/her death.
3. If the deceased individual was a Member of more than one Club at the time of his/her death, the Club most recently designated to receive credit for the donor's gifts while living will receive the Club recognition, if any.

Section PG – Planned Giving

Policy PG-3 – Recognition of Planned Gifts

If the Foundation is the sole beneficiary or a charitable remainderman, whether revocable or not, the Foundation will utilize life expectancy and recognize the gift at present value.

If the Foundation is a contingent beneficiary, include in Friends of Tomorrow listing, give the Donor a pin and any other items presented to Friends of Tomorrow members and invite them to Friends of Tomorrow functions. No dollar recognition will be tied to contingent beneficiary gifts.

Policy PG-4 – District Recognition of Planned Gifts

Districts will receive recognition credit for unrestricted planned gifts from living individuals in the same dollar amount as the charitable income tax deduction.

In the case of IRA rollover gifts, the District may receive recognition credit for the rollover amount, although the individual is not entitled to a charitable income tax deduction.

In the case of unrestricted planned gifts from deceased individuals, their estates or other assets naming the Foundation as beneficiary, Districts may not receive recognition credit.

Section S – Scholarships

Policy S-5 – Scholarship Awards Administration

The Foundation staff is directed to insure that the Optimist International policies regarding Oratorical, Essay and Communications Contest for the Deaf and Hard of Hearing scholarship program payments are strictly interpreted and enforced.

The Foundation shall provide plaques for all named scholarships and present them to the respective District for presentation to the winners. These must be in effect as of September 30, 2021.

Optimist International Foundation staff will handle only disbursement of funds in the area of scholarship administration (Oratorical, Essay, Communications Contest for the Deaf and Hard of Hearing).

Policy S-6 – Recognition of Scholarship Donors

Gifts to any temporarily restricted scholarship fund will not be credited for Donor recognition. Scholarships will not be tracked by OIF; only money will be tracked by OIF.

Policy S-7 – Regarding Split District Scholarships

The scholarship funding will come from the respective winner's Foundation, meaning that in split Districts there may be an OIF and a CCOF funder for the same scholarship.

Section SR – District Foundation Representatives

Policy SR-1 – Role of District Foundation Representatives

The role of the District Foundation Representative is:

- To serve as the Representative of the Foundation to the District
- To present the Foundation's story
- To solicit contributions
- To attend all District meetings, conferences and training seminars to make as many visitations as possible to Zone and Club meetings for the purpose of making presentations on behalf of the Foundation.
- After consultation with their Governor, District Foundation Representatives shall be encouraged to recruit assistants or form committees within their districts to assist in taking the Foundation message to all Clubs in the District.
- The District Foundation Representative must be a member of a Club within the District they are serving. Friends of Optimist Membership does not qualify.

Job Duties:

1. Be a positive, knowledge force speaking on behalf of the Foundation in your District.
2. Attend a training conference and take advantage of workshops at the International Convention.
3. Keep your Governor and his/her Team and your District Membership informed about programs and goals of the Foundation.
4. Plan and conduct presentations and training session at District and Club Meetings.
5. Coordinate the fundraising efforts in the District, which includes conducting special fundraising events.
6. ASK for donations to the Foundation.
7. Ask Members about dollar-matching programs at their companies.
8. Ask for business gifts from business owners or decision-makers.
9. Send contributions directly to the Optimist International Foundation.
10. Handle the Donor Recognition for Club and individual contributors in your District.
11. Remember the possibilities from bequests and wills.
12. Identify major gift prospects and strategize with OIF staff/Board about possible approach scenarios.
13. Make a personal gift (within means) early in the year to help set the pace.

Policy SR-3 – Recognition Program for District Foundation Representatives

Distinguished District Foundation Representative:

Required to meet the \$10-per-Member goal, and have obtained a top ten ranking in Average Dollar per Member for the year or a top ten ranking in Total Contributions for the year or set a new District record for total contributions or acquired one new planned gift. A recognition plaque will be given for those District Foundation Representatives achieving the above criteria and presented to all District Foundation Representatives at the second quarter District Conference following their year of service. The Immediate Past Governor and/or a Foundation Board Member will present the recognition plaque.

For the purpose of determining District dollar-per-Member figures on the Foundation monthly reports, the dollar-per-Member figures shall be based on Membership numbers that parallel with the adjusted October 1, Optimist International membership numbers as published in the official scoreboard. Membership base numbers at October 1 will be adjusted after the December Optimist International Board Meeting, and then remain fixed for the remainder of the year.

Outstanding District Foundation Representative:

Required to meet the criteria for Distinguished District Foundation Representative **and** be the Leading Representative in one of the following categories:

1. Dollar-Per-Member
2. Overall Total Contributions
3. Greatest Percentage Of Increase Over the Prior Year

A recognition plaque will be given for each of the three categories, and presented to District Foundation Representatives at the second quarter District Conference following their year of service. The Immediate Past Governor and/or a Foundation Board Member will present the recognition plaque.

Certificate of Appreciation:

The Certificate of Appreciation is presented to all District Foundation Representatives at the second quarter District Conference following their year of service. The Immediate Past Governor and/or a Foundation Board Member will present the Certificate of Appreciation.

Policy SR-4 – Communications Expense Reimbursement

The communications expense reimbursement to the District Foundation Representatives shall be \$1.50 per club or \$125, whichever is larger, based on the October 1 number of clubs and will be issued upon receipt of a request for reimbursement.

Policy SR-7 – District Foundation Representative Appointment

Governors-Elect will be invited to nominate a candidate(s) for District Foundation Representative. OIF will provide feedback to the Governor Elect on those individuals before selection is finalized.

Appendix 2 – Investment Guidelines

The Board of Directors of Optimist International Foundation is aware of its fiduciary responsibilities as delineated in its bylaws and the laws of the government units in which the Foundation does business.

The Board of Directors may delegate certain aspects of these responsibilities to financial professionals and/or its management. However, the Board of Directors is aware that this delegation does not in any way relieve it of the final fiduciary responsibility. When such delegation is made, the Board of Directors assumes the responsibility of evaluating and reviewing the performance of the Investment Manager(s), during each regularly scheduled meeting. Such evaluation and review will include, but not necessarily be restricted to, insuring that the Investment Manager(s) are adhering to policy guidelines and monitoring investment objective progress.

Within the above parameters, the Board of Directors of Optimist International Foundation have established the following Investment Guidelines:

1. General Investment Goals of the Foundation

- a. To meet realistic income requirements of the Optimist International Foundation which will allow it to fund its programs and meet obligations.
- b. To preserve capital. Highest priority should be given to protecting assets against erosion during unfavorable investment conditions. Secondly, the assets of the Foundation should participate in favorable investment trends in order to grow through capital appreciation.
- c. The Executive Director of the Foundation in conjunction with the Board approved financial professional shall chose investments that follow the Board approved allocation models.

The current investment allocation is:

65%	Equities
35%	Bond, bond equivalents, or cash

The Board may change the asset allocations upon the advice of the investment manager and the Executive Director. The change to the allocation model may be +/- 5%.

- d. Any investment manager retained by the OIF Board shall operate as a fiduciary and act in the best interests of the Foundation following the general Prudent Person Rule (Prudent Investor Rule) and make investments that a person of reasonable intelligence, discretion and prudence would be expected to make.

Appendix 3 – Gift Acceptance Policy

The Optimist International Foundation may accept as gifts any current or deferred gift it is qualified to receive under the federal tax codes and that qualifies for a federal charitable income tax deduction according to the laws then in effect in the United States of America.

The Foundation reserves the right to decline certain types of gifts. At present the Foundation declines to accept these gifts:

1. Gifts intended for a pooled income fund.
2. Gifts designated for a donor advised fund – although staff will assist the Donor in placing the Donor advised fund with a community foundation or other entity, provided there is a commitment for the Foundation to receive proceeds from the DAV.
3. Gifts of term life insurance or other insurance products that do not accrue cash value.
4. Any gift that might compromise the Foundation’s status as a charitable not-for-profit corporation.

Should accepting the gift require a significant one-time or ongoing outlay of money (other than for life income gifts in the form of charitable gift annuities or charitable trusts) from the Foundation, the Executive Director should consult with the Board of Directors and seek their guidance in evaluating the acceptance of the gift. Such considerations may include, but will not be limited to monthly maintenance fees, real estate taxes incurred for unrelated use, insurance, special conditions of acceptance such as preservation of the asset, marketability, etc.

Gifts of real estate require stringent review of the property and information provided by the donor. In general, the Foundation will not accept partial ownership in real estate, real estate that is financially encumbered, real estate that might incur pollution concerns with the Department of Natural Resources or other regulating agencies. The Foundation may require the donor to provide a Phase I Environmental Study and will definitely require the donor to provide an independent third-party appraisal by a qualified appraiser within 60 days of the gift date. The Foundation may not pay for the study or the appraisal. Such expenses are deductible by the donor.

In accepting gifts of assets that should be easily liquidated -- such as real estate, stock, bonds, or gifts-in-kind -- the Foundation will not hold assets at the direction of the donor or try to time the market. Securities will immediately be sold and other liquid assets will be placed for sale. The Foundation will provide donors with IRS Forms 8282 for assets sold within the required holding period.

The Foundation may agree to serve as the Trustee of a trust or the Executor of an estate provided the Foundation is the primary beneficiary of the trust or the estate.

The Foundation may provide sample documents, language, and prospectus information to donors for trusts and wills, but except in the case of an endowment agreement or a charitable gift annuities, may not prepare the final form of a gift document. Foundation staff will encourage donors to work with their own financial professionals and will be pleased to communicate with their financial professionals at the request of the donors.

The Executive Director, President, President-Elect, Secretary and/or Treasurer may accept gifts on behalf of the Foundation in accordance with Foundation gift acceptance policies. Should any of those individuals question whether the proposed gift will ultimately be acceptable to the Foundation, that individual may convene a short-term committee to study the gift. The Committee will consist of the Executive Director, the officer questioning the acceptability of the gift, and at least two other Board members. The decision of the Committee will be recommended to the full Board at its next meeting, but recognizing important timing factors, the decision of the Committee will allow the gift to proceed or cease to be considered.

At all times in accepting gifts the Foundation will operate within the boundaries of the law and will proceed with the best interests of the donor and of the Foundation in mind.

Amendment 1 – Charitable Gift Annuities

The youngest age limit eligible for a Charitable Gift Annuity is age 60.