

STATEMENT OF FISCAL RESPONSIBILITY

The Eudora Schools Foundation (ESF) is a 501(c)(3) non-for-profit educational entity in Douglas County Kansas, established to offer support of the educational programs for both the students and staff of Eudora USD 491 (the District). ESF activities and funds will be used to enrich student experience, reward teacher excellence, and make our schools the very best.

ESF is committed to responsible governance and financial management. These policies and guidelines are designed to protect the assets of ESF, ensure accurate records, provide a framework of operating procedures and ensure compliance with reporting requirements.

In the event of a conflict between these policies and guidelines and ESF's Bylaws, the Bylaws control.

GENERAL BOARD POLICIES

Authority and Accountability

The ESF board shall make every effort to retain the trust placed in it by our community, donors and the Eudora School District. ESF retains ultimate responsibility for the acts of its directors.

Annual Budget

The ESF Finance Committee shall develop a budget for the board of trustees' approval at our Annual Retreat. The budget shall adhere to ESF's commitment to disburse funds according to its mission.

FINANCIAL POLICIES AND GUIDELINES

Financial Controls and Operating Procedures

The Treasurer and members of the Finance Committee shall have primary responsibility for designing and maintaining the accounting process. Bookkeeping or other accounting support may be provided by others as designated by the Executive Director or Treasurer. Financial reports should be submitted to the board of trustees at scheduled meetings.

A review of any changes to the Internal Revenue Tax Code pertaining to 501(c)(3) organizations will be conducted annually. The Finance Committee shall provide fiscal oversight in the safeguarding of ESF assets and ensuring that all financial reports fairly represent its financial condition.

Guidelines

- 1) A budget shall be prepared by the Finance Officers for consideration of the ESF board of trustees.
- 2) Check signers should not be persons responsible for routine bookkeeping or issuing checks. The ESF Executive Director and Board President will be designated check signers.
- 3) Monthly bank statements shall be received by the Executive Director.
- 4) Bank reconciliations shall be prepared by the Treasurer and reviewed and approved by the Finance Committee on a monthly basis.

Types of Funds

The Foundation recognizes two types of funds or gifts:

Undesignated: A donation given for distribution as directed by the board of trustees, guided by the mission and funding priorities of ESF

Designated: A donation given for a specific purpose as directed by the donor. The ESF board of trustees must determine that the purpose of the donation is consistent with ESF's mission and funding priorities before the acceptance of the donation.

Fund Disbursement

Funds shall be disbursed in accordance with guidelines and charitable organization requirements as determined by local, state and federal statutes and in accordance with the annual budget. Invoices received by ESF shall be paid in a timely manner. All disbursements shall be supported by electronic copies of the invoice or other appropriate purchase documentation. A list of all disbursements since the last board meeting shall be approved by the board of trustees at each board meeting.

Endowment

It shall be the goal of ESF to establish and maintain an endowment account. Once established, this fund will provide a permanent base from which earnings can be used for purposes determined by the board of trustees. An investment policy shall be developed for ESF when deemed necessary.

Reporting Guidelines

ESF shall follow the reporting requirements for local, state and federal tax compliance. A professional accountant may be retained to file the appropriate documents.

ESF shall file timely the annual Form 990 with the Internal Revenue Service and the Kansas Annual Report with the Kansas Secretary of State. Copies of the Form 990 and Kansas Annual Report shall also be provided to the District and Superintendent in accordance with the Memorandum of Understanding Between the District and ESF.

Any tax notices received from the Internal Revenue Service or the State of Kansas shall be immediately shared with members of the Executive Board in order to prepare appropriate response.

Reporting Fraud, Theft and Misuse of Foundation Assets

It is the duty of each member of the board of trustees who knows of any fraud, theft or misuse of ESF assets, including cash, supplies, equipment, services, etc. to report the same to the Executive Director or appropriate ESF Executive Board Member. The report may be made orally or in writing.

No person filing a report under this policy shall be subject to retribution or retaliation of any kind for doing so.

Approval of Financial Reports

The following documents shall be reviewed and formally approved by the board of trustees at each regular board meeting:

- 1) Statement of Net Position and Statement of Activity for the most recent month end.
- 2) Listing of all disbursements recorded by ESF since the most recent board meeting.

The following documents shall be reviewed and formally approved by the Finance Committee at each Finance Committee meeting:

- 1) The bank reconciliation(s) completed since the most recent Finance Committee meeting.
- 2) Listing of all receipts recorded by ESF since the most recent Finance Committee meeting.
- 3) Listing of all journal entries posted since the most recent Finance Committee meeting.

Every effort shall be made by the Treasurer to provide the above documents to the board of trustees or Finance Committee via email at least one day in advance of their respective meetings.

GIFT ACCEPTANCE POLICIES

A gift is defined as anything of value given to ESF. The donor relinquishes all possession and control at such time as the donation is accepted by ESF. The donor does not have the right of final selection of recipients. ESF reserves the right to refuse all, or any part, of a gift that is not consistent with its mission. It is the responsibility of the donor to seek professional advice with regard to any gift made to ESF and the tax advantages/disadvantages thereof.

Gift Acceptance

Gifts to ESF may be cash, service, goods, stocks, memorials, property or any item of value. ESF reserves the right to accept or reject any funds or gifts as deemed appropriate by the board of trustees. ESF will typically not accept gifts that:

- 1) do not conform to ESF's mission
- 2) cause an additional financial burden
- 3) violate the law

As a general rule, individual gifts under \$500 shall be considered general operating revenues for the Foundation. ESF shall allow donors of individual gifts in excess of \$500 to provide guidance as to which general area of the budget the gifts shall be designated. The Executive Director shall meet in person with donors of individual gifts in excess of \$2,000 to discuss formal plans for use of the gift.

Promotion of Business Gifts

ESF shall provide the following promotional opportunities to businesses who have made financial gifts to the Foundation:

- 1) Recognition of the business on social media platforms for gifts in excess of \$200
- 2) Formal check presentation from the business to ESF for gifts in excess of \$500.

Liquidation of Gifts

All gifts, other than cash, made to ESF will be held or liquidated based upon the decision of the board of trustees. In general, such gifts shall be liquidated as soon as practical.