

EDUCATIONAL-USE REIMBURSEMENT POLICY

OF THE

IOWA STATE ACACIA CHAPTER FOUNDATION

ADOPTED JUNE 26, 2022
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Introduction

This policy shall govern the procedure for the reimbursement of educational-use expenses by the Foundation for qualified expenses incurred by The Acacians in the operation of the Acacia Fraternity chapter house at Iowa State University.

Definition of Educational-Use Expenses

Two types of educational-use expenses are identified for this procedure.

1. Standard Educational-Use Expenses

Standard educational-use expenses are defined as those which are costs regularly and normally incurred by The Acacians for the operation of the chapter house. Examples include, but are not limited to, the cost of utilities, taxes, insurance, interest on debt, professional fees, and so on.

2. Project Specific Educational-Use Expenses

As circumstances dictate, it may be necessary for The Acacians to incur expenses to upgrade, repair or modify specific rooms in the chapter house whose use is devoted solely for educational purposes. These projects shall be for specific purposes related to one or more rooms in the chapter house that are classified as educational-use rooms. Examples include, but are not limited to, the installation, replacement or upgrading of doors, furniture or fixtures in rooms that are classified solely as educational-use rooms.

Identification of Standard Educational-Use Expenses

During the design process for the Acacia Fraternity chapter house at Iowa State University, a number of expenses were identified by an attorney at the Fraternal Law Firm which would be classified as educational-use expenses, and could be specifically reimbursed through charitable donations from alumni or charitable organizations.

The Internal Revenue Service has also certified that those portions of the chapter house which qualify, based on their square footage relative to the total square footage of the chapter house, as being eligible for reimbursement as educational-use space within the chapter house.

A detailed list of approved educational-use space and/or expense items has been provided to the treasurer of The Acacians and to the accounting firm that prepares tax returns for The Acacians. This list of identified expenses shall be included in any submission to the Foundation as specified in the procedures for this policy.

Procedure for Requesting Reimbursement of Standard Educational-Use Expenses

The procedure by which an Officer of The Acacians may request reimbursement from the Foundation for educational-use expenses incurred in the operation of the chapter house shall be as follows.

Step 1. Relevant Time Periods

Only two submission requests for educational-use reimbursement per calendar year may be made to the Foundation. These requests must cover a completed six-month time period corresponding to the fiscal year of The Acacians.

Step 2. Submission of the Request

An Officer of The Acacians shall submit a written letter to the Foundation Board requesting reimbursement for educational-use expenses incurred in the operation of the chapter house for the Acacia Fraternity at Iowa State University. This document must be submitted to the President of the Foundation.

For requests submitted that cover the first six months of the fiscal year of the Acacians, **the letter must be signed by at least two Officers of The Acacians** certifying, under penalty of law, that the information contained in the letter is true and accurate to the best of their knowledge.

For requests that cover the last six months of the fiscal year, the letter must come from **an accountant working on behalf of The Acacians who** has conducted such auditing procedures as are deemed appropriate and reasonable to ensure that the funds being requested represent a true and accurate picture of the expenses incurred for that fiscal year, less any funds already paid to cover the educational-use expenses incurred in the operation of the chapter house for that fiscal year. **This request must be accompanied by a copy of the Form 990 submitted by The Acacians to the Internal Revenue Service for that fiscal year.**

Step 3. Information Required in the Request

The request from The Acacians or from their accounting firm must include a detailed list of all approved educational-use expenses. This document shall clearly state the percentage of the expenses incurred that may be applied for reimbursement by line item. Individual dollar amounts by line item and the total amount being requested shall be clearly indicated on the document.

Step 4. Review of the Request by the Foundation

The President of the Foundation shall share with the rest of the Board the request submitted by the Officers or accounting firm of The Acacians.

The Foundation Board, at its sole discretion, may conduct such investigation as it deems appropriate to review the information that has been provided to it, and may request additional information if needed.

Step 5. Authorization of the Release of Foundation Funds

The Foundation Board shall discuss the request either electronically or at a special or regular meeting of the Board. The Foundation Board may authorize the release of such funds as it has available to either fully reimburse The Acacians for those educational-use expenses that were incurred, or any part thereof less than the full amount.

If the amount that the Foundation is less than the full amount requested, The Acacians may request the shortfall amount from any other sources from which it may make a request.

Step 6. Recording of the Release of Foundation Funds

The Secretary-Treasurer of the Foundation shall maintain a copy of the request submitted by The Acacians as a part of the official records of the Foundation. The Secretary-Treasurer shall also record the final decision of the Foundation Board as to the amount to reimburse to The Acacians as a part of

the official minutes of the Foundation. The Secretary-Treasurer shall write out a check to The Acacians as directed by the Board, complying with the adopted check-writing procedures of the Board.

Identification of Project Specific Educational-Use Expenses

The following sequence of steps shall be followed for project specific educational-use expenses.

Step 1. Submission of a Request by The Acacians

As circumstances dictate, The Acacians may request the Foundation to conduct such fund-raising campaigns as are needed to repair, upgrade or modify educational-use rooms in the chapter house. These requests may be made for specific purposes related to one or more educational-use rooms in the chapter house where those funds contributed may be tax-deductible to the donors.

The request from The Acacians must be in writing, and must be signed by at least one Officer of The Acacians. The document submitted must state specifically the project(s) to be undertaken, the purpose, and why the project(s) is(are) needed.

Step 2. Review of the Request by the Foundation Board

The Foundation may, at its sole discretion, decide to undertake such fund-raising campaigns as it deems appropriate to obtain the funds for those project specific purposes.

Step 3. Submission and Review of Invoices

In the event that the Foundation Board conducts the campaign, and sufficient funds are obtained to pay for the project(s), the funds shall be released in payment of invoices submitted by the contractor(s) to The Acacians. A copy of all submitted invoices shall be provided to the Foundation Board for their review. As needed, the Board may request additional information or conduct interviews with members of The Acacians or the contract to verify costs related to the submitted invoices.

Step 4. Payment of Invoices and Recording of Information

Payment for the work will be made once it has been certified by an Officer of The Acacians in writing that the work was completed in satisfactory fashion by the contractor(s), and approved by the Foundation Board. The Secretary-Treasurer shall write out a check to the contractor(s) as directed by the Board, complying with the adopted check-writing procedures of the Board.

The Secretary-Treasurer shall maintain copies of all records related to each transaction as a part of the official records of the Foundation.

Reference Documents

The following two documents provide reference materials with regard to this policy.

- [1] Final Opinion Letter Package for The Acacians at Iowa State University
- [2] Koph Chapter at Iowa State University – final Execution Version Grant Agreement