

NON-ENDOWED AND ENDOWED FUND ACCOUNT POLICIES

OF THE

IOWA STATE ACACIA CHAPTER FOUNDATION

ADOPTED FEBRUARY 6, 2022

Introduction

This policy shall govern the management of the non-endowed and endowed fund accounts of the Foundation.

Endowed and Non-Endowed Fund Accounts

The Foundation shall establish parameters to be followed governing the establishment and use of endowed and non-endowed fund accounts.

Types of Endowed and Non-Endowed Fund Accounts

It shall be the policy of the Foundation that three types of fund accounts may exist. They are defined as follows.

1. Non-Endowed Fund Accounts

The Foundation may establish, at its discretion, non-endowed fund accounts to be used for specific purposes in furtherance of the objectives of the Foundation. Funds deposited into these accounts may be received from any source in compliance with the gift policy of the Foundation.

The Foundation Board shall invest these funds as it deems appropriate in accordance with the established policies of the Foundation, and any regulatory limitations which may apply. **All funds** within this account may be used as authorized by the Foundation Board subject to any limitations established by the Board and/or the Internal Revenue Service.

No minimum dollar value of the fund account or contribution on the part of any donor shall be required.

2. Foundation –Established Endowed Fund Accounts

The Foundation Board may establish endowed fund accounts as it deems appropriate to fulfill the objectives of the Foundation. The Foundation Board may solicit contributions for these funds from any party that it deems acceptable and appropriate. The Foundation Board shall invest these funds as it deems appropriate subject to the established policies of the Foundation, and any regulatory limitations which may apply.

Funds contributed as principal to Foundation-established accounts may not be disbursed. Only the earnings from the investment of these contributions may be disbursed. They may only be disbursed in furtherance of the stated purpose(s) established for the fund. They may not be used for any purpose other than the stated purpose of the fund.

No minimum dollar value of the fund account or contribution on the part of any donor shall be required.

3. Donor-Established Endowed Fund Accounts

Individual donors to the Foundation may establish an endowed account in a name acceptable to the donor and the Foundation Board.

The donor and Foundation Board must jointly agree to any specific restrictions and/or qualifications for funds to be released from this account. Such restrictions and/or qualifications may not violate any law or regulation that may apply within the State of Iowa. The agreement establishing this type of account shall be in writing. It must be approved by the Foundation Board prior to the agreement being signed by the Officers of the Board and the donor(s) to the account.

3a. Minimum Dollar Contribution Amount

The **minimum** dollar donation required to establish such an account shall be **\$100,000**.

3b. Receipt Procedure for Extended Donation Time Frame

If the donor wishes to contribute this amount (or more) over a time period of greater than one year, no earnings from the established account may be paid until such time as a minimum of \$100,000 has been contributed to the account. All earnings on the contributed funds shall be incorporated into the named account as additional principal and shall serve as additional contributions to the account once the original pledge for \$100,000 has been received by the Foundation.

Donors who wish to establish such an account, and who desire to contribute the funds over an extended time period, must sign a document obligating the funds to be paid from their estate should the donor pass away prior to fully funding the fund account. If the donor fails to execute this document and passes away prior to completion of the payments into the fund, their donations shall be added to the general scholarship fund of the Foundation and their name listed as a contributor to that account.

This obligation may be waived at the sole discretion of the Foundation Board.