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# **Ohio District Kiwanis Foundation, Inc.**

## **Policy Manual**

**Ohio District Kiwanis Foundation, Inc.  
PO Box 668  
Circleville, OH 43113**

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## **FOUNDATION MISSION, VISION AND FOCUS**

### **MISSION:**

The mission of the Ohio District Kiwanis Foundation is to raise, manage, and distribute funds to support programs of Ohio District Kiwanis family organizations for the improvement of lives of individuals. (Reaffirmed 2011)

### **VISION:**

In the next 3-5 years, the Ohio District Kiwanis Foundation will focus on growth of the funds held by the Foundation. This will be achieved by improved communication about the benefits of the Foundation using increased technologies available. The board will work to provide for increased administrative functions in the future which are now provided by volunteer staff. (Reaffirmed 2011)

### **FOCUS:**

Major fundraising and project support shall be focused on Kiwanis Safe and Healthy Kids with areas of emphasis being -- Safe Home, Safe Play, Bicycle Safety and Water Safety.

## **FOUNDATION HISTORY**

The Ohio District Kiwanis Foundation was incorporated in September 1982 under the IRS Statute 501(c) 3 as a charitable not for profit corporation which accepts gifts from various sources to help the needs of the Ohio Kiwanis community. All active and senior members of the Ohio District of Kiwanis are automatically voting members of the Foundation which is governed by a Board of Trustees. The 1982-83 Ohio District Kiwanis Board provided \$10,000 from excess reserve funds generated by the annual Ohio District Golf and Bowling Tournaments as seed funding to allow the Foundation to begin projects that were too large for individuals and Clubs.

The original objective of the Foundation was to create, support and promote projects throughout Ohio, the United States, and the world, with a focus on safety, good health and education of young children. The Foundation is committed to financially assist and recommend projects to enhance the commitment to Young Children by Kiwanis Clubs.

The original Bylaws called for the Governor of the Ohio District to be the Foundation President with the Foundation Board Members being the same as the Ohio District. The need for a new structure for continued development was recognized in 1986-87 when upon a recommendation of the IRS, the Board and officers of the Foundation were separated from those of the Ohio District. The Foundation Board elected 6 members for 3-year terms (staggered), with the remaining 2 members selected by the District Governor of the current District Board. In 1990-91, the Board members were elected from the membership of the Ohio District Kiwanis at the annual meeting to serve the following administrative year. The Secretary/Treasurer continued to be the current Ohio District Kiwanis Secretary. In 2004 the Ohio District Kiwanis Secretary decided he did not want to serve as Foundation Secretary/Treasurer. The Foundation Board decided to make a change. IRS guidelines were consulted to determine the best structure for the Foundation. The Board decided to set the number of elected Board members at 12, sponsored youth representatives from Circle K and Key Club were made voting members of the Board, the Ohio District Past Treasurers were asked to select a voting member to the Board, the Ohio District Governor was asked to appoint 2 Lt. Governors to represent the ODK Board as voting members, and the Ohio District Leadership were made non-voting ex-officio members.

A volunteer was asked to serve as Executive Director and an elected member of the Board became the Secretary/Treasurer. In 2015, the Secretary/Treasurer position was divided into two separate positions. The Foundation was asked to published a regular communication for the members of the Ohio District of Kiwanis International. The Buckeye Bulletin was published bi-monthly in a newspaper format and sent to all members of the District Kiwanis Clubs. For some years a publication called the Buckeye Banner was sent to Club and District leaders to provide specific information for the leadership. In 2004 the bi-monthly publication was changed to a magazine format and named the Ohio District Kiwanis Magazine. In 2008, the Foundation ceased publishing a printed publication for the District. The District began electronic transmission of the magazine.

The 1985-86 Foundation Board initiated matching \$500 scholarships for the Ohio Key Club and Circle-K recipients with Kiwanis International. Today KI does not provide a match so the Foundation awards \$1000 scholarships to both Key Club and Circle K. The Foundation has made grants to the 7 Children's Hospitals in Ohio and other worthy projects to assist with their needs. The Foundation also has distributed Pediatric Emergency Reference Cards to paramedics and EMT squads in the State of Ohio and assisted Clubs in supplying Pediatric Immobilization Boards to local Fire Departments and EMS squads. Kiwanis Clubs have sponsored numerous projects in the State of Ohio after receiving grants for local efforts to improve the lives of children. In 2003, the Board determined that the focus of efforts of the Foundation would be the support of pediatric trauma education and prevention.

Funding for the permanent endowment funds of the Foundation has grown from Club contributions, special awards in honor of Ohio's Kiwanians who have served as International President, memorial gifts and individual donations. In 2006, the Ambassadors Program was instituted to allow members to make continuing gifts in smaller amounts. The First Family Project since 1986 has used the Foundation to support numerous projects in the State of Ohio. The District operated a "craftsy corner" at District convention to raise funds for the First Family project. In the early 2000's this activity was changed to a "Silent Auction and Basket Room" and the Foundation was asked to take over this activity. This change in focus and supervision resulted in the Foundation raising significant funds for grants to Kiwanis Clubs as a part of the Safe and Healthy Kids initiative. In 2004 Club Advised Funds permitted Kiwanis Clubs to invest their funds with the Foundation for use in future service projects of the Club. This partnership with the Foundation provided each participating Club with nonprofit status as a sub fund of the Foundation. Over 30 Clubs with an investment of over \$500,000 use this option as their Club Foundation.

In 2007 the Foundation became the beneficiary of the annual Ohio District Golf Outing. This activity has contributed to funds which are used to provide grants to Kiwanis Clubs. A special recognition program was developed to honor those who contribute as sponsors for this event. In 2011, the Legion of Honor Society was instituted to honor and promote gifts from Kiwanians whose membership had extended over 25 years and every five years thereafter. In the 2014-15 administrative year the Pediatric Trauma Project name was changed to "Kiwanis Safe and Healthy Kids" As of the end of 2017-2018 administrative year the Ohio District Kiwanis Foundation has distributed over \$600,000 to 353 grant recipients for both community related projects and Safe and Healthy Kids projects. Over the years the Foundation has accomplished and met its objectives, purposes, and mission by providing a number of support services to the Ohio District and its Clubs as requested by Club and District leadership. The history listed shows how the Foundation has changed over the years to support the Ohio District and its members.

## ADMINISTRATION

### 1. ELECTIONS

- A. Candidates for election to the Board of Directors shall:
  - i. have the endorsement of their club and division which shall be documented on a form to be sent with a letter of intent to the Nominating Committee Chair by April 30th
  - ii. provide for no more than two members of the Board from a single division.
  - iii. not conduct a campaign for the position which includes brochures and receptions.
  - iv. provide biographical information to be published in the District newsletter.
- B. The Ohio District Kiwanis Foundation will not hold a reception for candidates at District Convention.
- C. Election of Members of Board of Directors shall take place at the Annual Meeting.
  - i. Each candidate will be introduced by the President. They will be given two minutes to make remarks to the members of the Foundation. No one else may speak for them.
  - ii. Voting for candidates will be by written ballot unless the membership votes to cast a unanimous ballot by voice.
  - iii. No proxy voting will be allowed.
  - iv. No one may leave a ballot with another person to cast on their behalf.
- D. Election of Officers
  - i. At the annual Ohio District Convention, the President of the Foundation shall call a meeting of the Board for the purpose of electing officers for the next administrative year.

### 2. OFFICERS

- A. The officers of the Foundation shall be a President, Vice President, Immediate Past President, Secretary, Treasurer, and an Executive Director. The same person may hold the office of Secretary and Treasurer. All officers shall be members. The President and the Vice President shall be Elected Directors. The Secretary and Treasurer may, but do not have to be a member of the Board. The Executive Director shall not be a member of the Board.
- B. Job descriptions for Ohio District Kiwanis Foundation officers
  - i. President**

The President shall be the Chief Executive Officer of the Foundation and shall have a general supervision over the affairs and property of the Foundation and over its officers, and shall generally do and perform all acts incident to the Office of the President, and shall have such additional powers and duties as may from time to time be assigned by the Board. When authorized by the Board, the President may sign and execute, in the name of the Foundation, deed, mortgages, bonds, contracts, or other instruments by the Board, except in cases where the seizure and execution thereof shall be expressly delegated by the Board or by these Bylaws to some other Officer or agent of the Foundation.
  - ii. Vice-President**

At the request of the President, or in the President's absence or disability, the Vice President shall perform all the duties of the President and, when so acting, shall have all the powers, and be subject to all the instructions upon the President. When authorized by the Board, the Vice President may also sign and execute, in the name of the Foundation, deeds, mortgages, bonds, contracts and other instruments authorized by the Board except in cases where the signing and execution thereof shall be expressly delegated by the Board or by the Bylaws to some other Officer or Agent of the Foundation. The Vice President shall perform such duties as from time to time may be assigned to the Vice President by the Board or the President.

**iii. Secretary**

The Secretary acts under the supervision of the Board. The Secretary shall attend and keep minutes of all meetings of the Board and the Foundation and in general perform all duties customarily attendant to such Officers or as may from time to time be assigned to the Secretary by the Board of Directors. The Secretary shall be the Foundation Secretary and perform all duties attendant thereto.

**iv. Treasurer**

The Treasurer acts under the supervision of the Board. The Treasurer shall have charge of all financial matters and records and in general perform all duties customarily attendant to such office or as may from time to time be assigned to the Treasurer by the Board of Directors.

**v. Executive Director**

The Executive Director acts under the supervision of the Board. The Executive Director shall have general supervision over the affairs and property of the Foundation and over its staff, and shall generally do and perform all acts incident to the position of an executive director, and shall have such additional powers and duties as may from time to time be assigned by the Board. When authorized by the Board, the Executive Director may sign and execute, in the name of the Foundation, deed, mortgages, bonds, contracts, or other instruments by the Board, except in cases where the seizure and execution thereof shall be expressly delegated by the Board or by these Bylaws to some other Officer or agent of the Foundation.

**vi. Immediate Past President**

The Immediate Past President acts under the request of the president in an advisory and support role.

**3. BOARD MEETINGS**

All meetings of the Ohio District Kiwanis Foundation Board shall be held in accordance with the Bylaws of the Ohio District Kiwanis Foundation. All meetings are open to any member of the Foundation.

Meetings of the Ohio District Kiwanis Foundation Board may be held at sites designated by the Ohio District Kiwanis Foundation Board or via electronic means such as Zoom.

The Ohio District Kiwanis Foundation Secretary shall mail, by postal service or electronic communication, not less than ten (10) days prior to the meeting of the Ohio District Kiwanis Foundation Board, an agenda, supporting materials, and the minutes of the previous meeting to each Ohio District Kiwanis Foundation Board member.

The Ohio District Kiwanis Foundation Treasurer shall mail, by postal service or electronic communication, not less than ten (10) days prior to the meeting of the Ohio District Kiwanis Foundation Board, a financial report to each Ohio District Kiwanis Foundation Board member.

**4. ORIENTATION OF BOARD MEMBERS**

All new members of the Board shall be given an orientation to the Ohio District Kiwanis Foundation by the President of the Board. This may be done in individual sessions and/or as part of the agenda of the first meeting of the year. Pertinent materials about the Foundation shall be given to the members upon their election/appointment. Potential members may be invited to attend a board meeting prior to their election/appointment.

Included in the orientation shall be the following information: By-Laws, Policy Manual, Procedures Manual, History, Purpose, Vision, Focus, Projects funded, Budget including designated funds, Methods of raising funds, Information for making presentations, Organizational structure, Job Description of Board members.

## **5. CONFLICT OF INTEREST**

The purpose of this policy is to protect the interest of the Ohio District Kiwanis Foundation when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Foundation or might result in a possible excess benefit transaction

### **A. Definitions**

Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest is an interested person. A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- i.** An ownership or investment interest in any entity with which the Foundation has a transaction or arrangements;
- ii.** A compensation arrangement with the Foundation or with any entity or individual with which the Foundation has a transaction or arrangement, or
- iii.** A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Foundation is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. A financial interest is not necessarily a conflict of interest. A person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

### **B. Procedures**

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees considering the proposed transaction or arrangement. After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the meeting during the discussion or, and the vote on, the transaction or arrangement involving the possible conflict of interest. The remaining board or committee members shall decide if a conflict of interest exists.

After exercising due diligence, the governing board or committee shall determine whether the Foundation can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Foundation's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

### **C. Records of Proceedings**

The minutes of the board and all committees with board delegated powers shall contain the names of the persons who disclosed or otherwise were found to have a financial interest in connection

with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, the board's or committee's decision as to whether a conflict of interest existed, the names of persons present for discussions and votes, the content of the discussion and a record of any votes taken in connection with the proceedings

#### **D. Annual Statements**

Each director, principal officer and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

- i.** Has received a copy of the conflict of interest policy,
- ii.** Has read and understand the policy,
- iii.** Has agreed to comply with the policy, and
- iv.** Understands the Foundation is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempted purposes.

Each statement shall be reviewed by the Executive Director and Secretary of the board.

#### **6. CODE OF CONDUCT**

The purpose of this policy is to ensure Board members and staff of the Ohio District Kiwanis Foundation (ODKF), are committed to observing and promoting the highest standards of ethical conduct in the performance of their responsibilities as a member of ODKF. Board members and staff pledge to accept this code as a minimum guideline for ethical conduct. They shall

- A. Faithfully abide by the Policy Manual and Procedures of the ODKF.
- B. Exercise reasonable care, good faith, and due diligence in organizational affairs.
- C. Fully disclose, at the earliest opportunity, information that may result in a perceived or actual conflict of interest.
- D. Maintain a professional level of courtesy, respect, and objectivity in all ODKF activities.
- E. Strive to uphold those practices and assist other ODKF board and staff members in upholding the highest standards of conduct.
- F. Exercise the powers invested for the good of the organization rather than for personal benefit, or for the entity he/she may represent.
- G. ODKF will ensure the right of all persons to appropriate and effective services without discrimination with respect to race, color, national origin, disability, religion, age, gender, sexual orientation, political affiliation, or socio-economic characteristics, in accordance with all applicable legal and regulatory requirements.
- H. Adhere to the requirements of confidentiality concerning sensitive information as established by the ODKF policy manual and procedures
- I. Respect the diversity of opinions as expressed or acted upon by the ODKF board.
- J. Support decisions made by the ODKF board even when in dissent.
- K. ODKF Board members and staff shall attend all board meetings as scheduled. Proper notice and communication will be given to the ODKF president when extenuating circumstances arise so that a board member or staff member will not be able to attend a scheduled meeting.

Should a board member or staff person violate any portion of this code of conduct, appropriate disciplinary action will be taken up to and including removal from their elected or appointed position.



## **7. FOUNDATION STAFF**

- A. The Foundation Board at any meeting may by resolution appoint subordinate officers, agents, employees, and volunteer staff and determine terms of office and compensation, if any, as it may deem advisable. The Board may delegate to any officer or committee the power to appoint such subordinate officers or agents and to determine their terms of office and compensation, if any.
- B. The appointed individuals may be a member of the Board if approved by the Board. Current volunteer staff is the Executive Director, Secretary, Treasurer, and Social Media Coordinator. Specific job descriptions can be found in the Procedures Manual.
  - i. The Secretary may be a member of the Board, The day to day supervision of the Secretary shall be performed by Executive Director per agreement with the board.
  - ii. The Treasurer may be a member of the Board, The day to day supervision of the Treasurer shall be performed by Executive Director per agreement with the board.
  - iii. The Social Media Coordinator may be a member of the Board, The day to day supervision of the Social Media Coordinator shall be performed by Executive Director per agreement with the board.
- C. The Board shall put in place an evaluation system for all volunteer staff and employees.
  - i. The Executive Director shall oversee the evaluation program for all volunteer staff and staffs
    - (1) An evaluation report will be given to the board at mid-year and at the Foundation annual meeting.
  - ii. The Executive Director shall be evaluated annually by the Foundation President.

## **8. EMPLOYEE PROTECTION (WHISTLEBLOWER) POLICY**

If any staff reasonably believes that some policy, practice, or activity of the Ohio District Kiwanis Foundation is in violation of law, a written complaint must be filed by that staff with the Executive Director or the Board President.

It is the intent of the Ohio District Kiwanis Foundation to adhere to all laws and regulations that apply to the organization and the underlying purpose of this policy is to support the organization's goal of legal compliance. The support of all staff is necessary to achieving compliance with various laws and regulations. A staff is protected from retaliation only if the employee brings the alleged unlawful activity, policy, or practice to the attention of the Ohio District Kiwanis Foundation and provides the Ohio District Kiwanis Foundation with a reasonable opportunity to investigate and correct the alleged unlawful activity. The protection described below is only available to staffs that comply with this requirement.

Ohio District Kiwanis Foundation will not retaliate against a staff who in good faith, has made a protest or raised a complaint against some practice of the Ohio District Kiwanis Foundation, or of another individual or entity with whom Ohio District Kiwanis Foundation has a business relationship, on the basis of a reasonable belief that the practice is in violation of law, or a clear mandate of public policy.

Ohio District Kiwanis Foundation will not retaliate against staffs who disclose or threaten to disclose to a supervisor or a public body, any activity, policy, or practice of Ohio District Kiwanis Foundation that the staff reasonably believes is in violation of a law, or a rule, or regulation mandated pursuant to law or is in violation of a clear mandate or public policy concerning the health, safety, welfare, or protection of the environment.

All staffs shall receive a copy of this policy and sign a statement that indicates receipt and understanding of this policy and verifies that they have been provided an opportunity to ask questions about the policy.

This policy will also apply to any volunteer staff that acts in the capacity of staff.

## 9. OFFICE

The Board shall approve the location of the office of the Secretary, Treasurer, Executive Director, and any other approved staff. The Foundation will provide such equipment as is needed for the operation of each office.

The official address of the Foundation shall be at the address of the Treasurer of the Ohio District Kiwanis Foundation unless the Foundation Board identifies an alternative office site. The Executive Director of the Ohio District Kiwanis Foundation shall be registered with the Ohio Secretary of State as the statutory agent of the Foundation.

## 10. RETENTION OF RECORDS

Records shall be retained in hard copy or electronically for the following periods:

|  |             |
|--|-------------|
| Election Reports   | five years  |
| Correspondence   | two years   |
| Legally Important Correspondence                         | permanently |
| Filings with the State                                   | seven years |
| Scholarship Records                                      | permanently |
| Minutes meetings of directors and members                | permanently |
| Annual Reports   | permanently |
| Foundation Histories                                     | permanently |
| Directories of Board members                             | permanently |
| At least a single copy of each issue of each publication | permanently |
| Treasurer's Reports (annual and functions)               | seven years |
| Auditor's Reports  | seven years |
| Tax Returns  | permanently |
| General ledgers, year-end trial balances                 | permanently |
| Chart of accounts  | permanently |
| Bank account reconciliations                             | seven years |
| Bank statements  | seven years |
| Invoices   | seven years |
| Cancelled Checks   | seven years |
| Checkbook Stubs  | seven years |
| Copies of Bank Deposits                                  | seven years |
| Foundation Bylaws and Articles of Incorporation          | permanently |
| Foundation Policy Manual                                 | permanently |

## 11. DESTRUCTION OF RECORDS

The Secretary and Treasurer shall dispose of all records after the date to which they are kept. Any records with individual identifying information shall be shredded.

## 12. SUCCESSION PLANNING POLICY

### A. Secretary or Treasurer Planned Transition

- i. Search committee of five members to be appointed by the ODKF President one year before the anticipated vacancy.

- ii. Position to be publicized during months one through five, with applications due at the end of six months.
  - iii. Candidates to be interviewed during months seven and eight.
  - iv. Search committee to make a recommendation to the ODKF Board by the end of month nine.
  - v. Transition with outgoing Secretary or Treasurer during months ten through twelve.
- B. Secretary or Treasurer Unplanned Transition
- i. Ohio District Kiwanis Secretary to immediately take over duties on an interim basis (work with ODKF Executive Committee who will have job descriptions, record backups, passwords, procedure manuals, and key contact lists).
  - ii. In the event Ohio District Kiwanis Secretary is unable or unwilling to serve the ODKF Executive Committee will collectively assume the Secretary or Treasurer duties on an interim basis.
  - iii. The ODKF Board will then immediately move into the planned transition search listed above on a shortened time frame that the Board deems appropriate.
- C. Executive Director Planned Transition
- i. Search committee of five members to be appointed by the ODKF President one year before the anticipated vacancy.
  - ii. Position to be publicized during months one through five, with applications due at the end of six months.
  - iii. Candidates to be interviewed during months seven and eight.
  - iv. Search committee to make a recommendation to the ODKF Board by the end of month nine.
  - v. Transition with outgoing Executive Director during months ten through twelve.
- D. Executive Director Unplanned Transition
- i. ODKF Executive Committee, with the assistance of the ODKF Secretary Treasurer, will immediately take over duties on an interim basis.
  - ii. The ODKF Board will then immediately move into the planned transition search listed above on a shortened time frame that the Board deems appropriate.

### **13. SOCIAL MEDIA POLICY**

#### **A. Purpose**

- i. The purpose of ODKF social media accounts is two-fold: 1) to provide internal marketing for all members of the Kiwanis family including Kiwanis Clubs, SLP Family Clubs, Divisions and District organizations; and 2) to provide external marketing for non and potential Kiwanis members/organizations.

#### **B. Content Management**

- i. At all times, the content of social media communications shall conform with the standards of ODKF. These standards shall include the following:
  - (1) Ensure accuracy in discussing ODKF or its programs.
  - (2) Correct mistakes found on Social Media Sites under the name of ODKF in an open and timely manner.
  - (3) Respect the mission and purpose of Ohio District Kiwanis and Kiwanis International.
  - (4) Use only ODKF approved logos.
  - (5) Encourage consideration and courtesy.
  - (6) Avoid political and religious comments.
  - (7) Not include any item for sale or promotion unless approved by the social media coordinator and the public relations committee.

#### **C. Participation**

- i. All persons will clearly identify themselves on ODKF Social Media Sites, both in posting and

responding. Any post or comment made on other Social Media sites cannot be automatically linked to post/comments made on ODKF Social Media sites.

- ii. ODKF Social Media sites are intended to promote ODKF activities and programs through publicity and civil discussions. Abusive or aggressive arguments are not permitted.
- iii. ODKF reserves the right to delete any post, comment or picture at any time. Users who persist in violating these ODKF policy guidelines will not be permitted to post on any ODKF social media site.

#### **14. SOCIAL MEDIA PUBLICATIONS**

The Social Media Coordinator shall be responsible for the Ohio District Kiwanis Foundation website, Facebook page, and other social media determined by the ODKF board.

The Social Media Coordinator shall be responsible for the development and positioning of content about the Ohio District Kiwanis Foundation and its programs on other cutting edge social media formats.

#### **15. EMBLEMS/LOGO**

To preserve the distinction and dignity of the Ohio District Kiwanis Foundation, the emblem/logo shall not be used for trade or commercial purposes without the specific authorization from the Ohio District Kiwanis Foundation Board.

The emblem/logo may be used for official Foundation programs, bulletins, stationery and publications connected with the Ohio District Kiwanis Foundation programs and activities of a non-commercial nature.

For any other use, prior written authorization must be obtained from the Ohio District Kiwanis Foundation by a written request submitted to the Ohio Kiwanis Foundation office at least thirty (30) days prior to any meeting of the Foundation Board.

### **COMMITTEES**

Each committee shall be appointed by the President with approval of the Board. A committee shall consist of not less than four (4) members, three of which shall be Board members, unless specified. A chair and vice-chair shall be appointed by the President and must be members of the Board. Committees shall meet at the request of the committee chair or at the request of the Foundation President. Committee chairs are to coordinate meeting place and time with the Foundation Secretary in order to avoid conflict with other committee meetings. A complete set of minutes of all committee meetings shall be kept with a copy sent to the Foundation President, the Foundation Executive Director, Secretary, Treasurer and each committee member.

#### **1. EXECUTIVE COMMITTEE**

The Executive Committee shall meet only when the Board is not in session. Its actions shall be considered as actions of the Board when passed by two-thirds (2/3) majority vote of the Committee and providing such action does not involve an expenditure of funds in excess of \$2500. The Executive Director is an ex officio member.

#### **2. NOMINATING COMMITTEE**

The Committee shall receive applications from candidates and insure they are in order.

The Committee shall nominate a number of candidates for Elected Director at least equal to the number of vacancies expected to exist at the time of the next annual meeting of the Members. The Executive Director is an ex officio member

### **3. STANDING COMMITTEES**

The Board shall maintain the following committees: Finance, Fundraising, Audit, Publicity, Budget, Grants, Bylaws & Policy, and Safe & Healthy Kids.

#### **A. Finance**

This committee shall recommend to the Board the form, time, and manner in which funds of the Foundation shall be invested. They shall make recommendations as to the allocation and use of existing funds. They shall assure that the books of account are kept in conformity with Generally Accepted Accounting Principles. They will review other matters that are referred from the Ohio District Kiwanis Foundation Board Executive Committee and review the Investment Policy no less than bi-annually. (See Appendix A) The Treasurer and the Board financial advisor shall be an ex officio member of this committee.

#### **B. Fund Raising**

This committee shall recommend methods of raising money for use of the Foundation. The Treasurer and the Board financial advisor shall be an ex officio member of the committee.

#### **C. Audit**

This committee shall be responsible for the selection of an Independent Accountant to perform an annual review/audit of the books. This committee will report to the board the findings of the annual review/audit and recommend needed changes. This committee will review the 990 Report to the IRS before it is submitted. Copies of the annual review/audit and the 990 Form will be provided to all board members. The Executive Director is an ex officio member of this committee.

#### **D. Budget**

This committee shall analyze the operational costs of maintaining and operating Foundation projects and programs and recommend to the Board an annual budget allocating funds for maximum utilization of available funds. The Treasurer shall be an ex-officio member of this committee.

#### **E. Publicity**

This committee shall recommend to the Board programs to enhance the Foundation image and programs through the use of public media and District and International media. The committee shall provide the Board with an article for publication in each issue of the district newsletter. Communications to the Kiwanis Clubs of the Ohio District shall be submitted to the District office to be coordinated with other mailings from the District office to the club presidents. The committee shall promote and coordinate a Speakers Bureau to provide board members and former board members as speakers to increase knowledge of the work of the Foundation. The Social Media Coordinator and Executive Director shall be an ex-officio member of this committee.

#### **F. Grants**

This committee shall review all requests for scholarships, gifts and grants and provide recommendations to the Board. Scholarships are awarded upon the recommendation of the service leadership program administrators and the recommendations of the committee. The Secretary, Treasurer, and Executive Director shall be ex-officio members of this committee.

**G. Bylaws & Policy**

The Bylaws and Policy Committee shall be familiar with the bylaws, policies and administrative procedures of the ODKF and review and recommend to the Board for its consideration and approval- bylaws, policies, administrative procedures, position descriptions and other matters.

**H. Kiwanis Safe & Healthy Kids Committee**

This Committee shall be responsible for the promotion of the Kiwanis Safe & Healthy Kids initiative through spreading word about what it entails in print and electronically and encouraging donations to the Foundation. This Committee is a subcommittee of the Fundraising Committee.

**4. OTHER COMMITTEES**

Other Committees may be appointed by the President as the need arises with Board approval.

**5. DISASTER RELIEF COMMITTEE**

This committee shall administer the Disaster Relief Fund, reviewing all fund requests and disbursing approved funds as expeditiously as possible. The Treasurer shall be an ex-officio member of this committee.

**6. ELECTIONS COMMITTEE**

The committee has the responsibility for distributing, collecting, and counting the ballots for each election or issue requiring a vote by ballot during the Annual Meeting of Foundation members. The Executive Director is an ex officio member of this committee.

**7. GOLF OUTING COMMITTEE**

The Foundation President shall appoint a golf committee to oversee and run the annual golfing event. The committee members will serve for a minimum of a three-year term.

The committee will consist of a chair or co-chairs and a minimum of five members, two of which shall be representatives of the Ohio District Foundation Board. The Foundation executive director shall serve as an ex-officio member of the committee.

The golf committee will be a subcommittee of the Fundraising committee.

**8. PLANNED GIVING ADVISORY COMMITTEE**

The Foundation President shall appoint a Planned Giving Advisory Committee consisting of a minimum of 3 current Board members with a Board member as committee chair. The advisory committee shall monitor and report all recommendations to the Board. The Board financial advisor shall be an ex-officio member of this committee.

The committee will be a subcommittee of the Fundraising Committee.

**9. BASKET ROOM COMMITTEE**

This committee will oversee and run the Basket Room event at the Ohio District Kiwanis annual convention.

The committee shall be responsible for the development of information, promotion, records, intake of materials, registration of donations, acceptance of payments for donations, coordinating the room location and setup with the convention committee, and reporting to the Board all activities of

the Basket Rom event. The Executive Director, Secretary, and Treasurer shall be ex-officio members of this committee.

The committee will be a subcommittee of the Fundraising Committee.

#### **10. Club Advised Fund Committee**

The committee will serve as a liaison between the Foundation and those clubs that have Club Advised Funds. The Executive Director, Treasurer, and Financial Advisor serve as ex officio members of this committee.

### **FINANCIAL POLICIES**

#### **1. BOOKS, RECORDS, REPORTS**

The Ohio District Kiwanis Foundation Treasurer shall provide a current financial report for each Board meeting, including a report of all depository accounts as well as a statement of all income and expenses.

The financial reports of the Treasurer and monthly statements of all accounts will be reviewed by the Finance Committee Chair or other person appointed by the Board. The Treasurer will provide the financial reports and general ledger for each month to that person. Account statements will be available through mail or online access for each account maintained by the Foundation.

The Treasurer shall provide a back-up copy of the accounting software to the President or Executive Director every month to be kept off site from the Treasurer's office.

If the Treasurer's computer is accessible to the public, a password shall be used on the accounting system. Such password shall be given to the President.

The Ohio District Kiwanis Foundation Board shall select the independent accountants for the Ohio District Kiwanis Foundation each year.

There shall be an annual report prepared by independent accountants and available to the Ohio District Kiwanis Foundation membership. The audit of the Ohio District Kiwanis Foundation shall be every fourth year, with the other years being a review of the financial statements.

#### **2. FINANCIAL ACCOUNTS**

Funds of the Foundation shall be deposited only in accounts approved by the Board of Directors.

The signers for special event accounts shall include the committee chair and the treasurer. The signers for all other financial accounts shall include the President, Vice-President, and Treasurer. Only one signature shall be required for checks or withdrawals. Any checks for an amount of \$1,000 or more shall have two signatures.

#### **3. FINANCIAL PROCEDURES**

Any cash received for the Ohio District Kiwanis Foundation shall be counted by two persons, recorded on a Cash Receipt Form, and signed by the two persons who have counted the funds. All cash and checks shall be deposited into financial accounts approved by the Board of Directors and

expenditures paid by check from those accounts. Cash Receipt Forms and invoices for the expenditures from all accounts will be kept by the Treasurer.

The Treasurer shall keep a manual of financial recordkeeping procedures used in the receipt and disbursement of funds and records kept of those funds. A copy of this manual shall be given to the Executive Director to be kept off site from the Treasurer's office.

Assets with a total purchase price greater than \$500 and a useful life longer than one year shall be capitalized.

#### 4. **VOLUNTEER STAFF EXPENDITURES**

The expenditures made by the Secretary, Treasurer, Social Media Coordinator, Executive Director, and other approved staff shall be paid upon receipt of an invoice approved by the President of the Board. The Secretary, Treasurer, Social Media Coordinator, Executive Director and other approved staff are eligible for reimbursement for any supplies needed for the duties of their office. Credit cards and vendor tax exempt cards shall be made available for the use of each in purchasing items needed for the duties of their office. Each shall receive mileage to any ODKF-related activities as approved by the board to include such events as board meetings, District Convention, District Golf Outing, and Mid-Year Education Day. Registration, meals and lodging would also be reimbursed for Convention, Golf Outing, and Mid-Year. The mileage of the IRS non-profit rate, tolls and parking as approved by the board. Expense reports for the Secretary, Treasurer, Social Media Coordinator and other approved staff will be approved by the Executive Director. Expense reports for the Executive Director are approved by President.

#### 5. **INSURANCE**

The officers and Board members shall be covered by insurance for theft and liability as additional insured on the policies of the Ohio District Kiwanis International.

#### 6. **REVENUE**

##### A. **Undesignated Giving**

Funds received from the following sources become a part of the principal of the Endowment Funds of the Foundation without restriction by the donor. Donations will be acknowledged with a receipt.

- i. **Stanley E. Schneider Award** – Established to honor Ohio District Kiwanian Stan Schneider who served as International President during the 1976-77 administrative year. This award is presented based on a contribution of \$1,000.
- ii. **Donald E. Williams Award** – Established to honor Ohio District Kiwanian Donald E. Williams who served as International President during the 1985-86 administrative year. This award is presented based on a contribution of \$1,000.
- iii. **Walter G. Sellers Award** – Established to honor Ohio District Kiwanian Walter G. Sellers who served as International President during the 1997-98 administrative year. This award is presented based on a contribution of \$1,000.
- iv. **A. Alan Penn Award** – Established to honor Ohio District Kiwanian A. Alan Penn who served as International President during the 2011-2012 administrative year. This award is presented based on a contribution of \$1,000.



- v. **Past International Presidents Award** – Established in honor of Ohio District Kiwanians who have served as International President: Edmund R. Arras (1923-24), Stanley E. Schneider (1976-77), Donald E. Williams (1985-86), Walter G. Sellers (1997-98) and A. Alan Penn (2011-2012). This award is presented based on a contribution of \$500.
- vi. **Ambassador Program** – Individual Kiwanians may make continuing contributions to the Foundation in increments of \$50 and receive recognition at various levels based on the total of their gifts.
- vii. **Club Birthday Fund** – Each year the Ohio District Kiwanis Foundation requests that each Ohio District Kiwanis Club send a minimum of \$3.00 per member to the Foundation during the month of the anniversary of receiving their club charter.
- viii. **Ohio Kiwanis Endowment Society** – A recognition program for individuals who have included unrestricted gifts to the Ohio District Kiwanis Foundation in their estate plan. Membership shall be for those who participate in the Planned Giving Program with contributions designated to the foundation as a beneficiary of their will or trust, a life insurance policy, a charitable annuity or other estate planning considerations within IRS allowances such as RMD IRA distributions or other cash distribution

#### **ix. Individual Donations**

Individuals, clubs or organizations may choose to make tax-deductible contributions to the Foundation at any time. This may be to honor a Kiwanian, as a memorial for a deceased person or for other reasons.

### **B. Designated Giving**

#### **i. Flow Through Accounts**

Funds may be donated through the Ohio District Kiwanis Foundation to be given to other organizations. Any project must meet the Purposes of the Ohio District Kiwanis Foundation as defined in the By-Laws. In addition, specific projects must be approved by the Foundation prior to beginning solicitation.

For projects sponsored by individual Kiwanis clubs or Kiwanis sponsored organizations, the donations are to be collected by those groups and sent to the Ohio District Kiwanis Foundation with proper documentation so that records can be maintained in a reasonable manner.

Donations from a dissolving Kiwanis clubs shall be a minimum of \$5,000 in order for a designated fund to be established.

Receipts for donations will be sent to all clubs and individuals making donations to the Foundation.

The Foundation reserves the right to withhold a fee for administrative services it uses in handling contributions. A 5% administrative fee will be charged for any non-ODKF sponsored revenue generating activities.

**ii. Kiwanis Safe and Healthy Kids Fund formerly the Pediatric Trauma Fund**

All funds submitted to the Foundation specifically for Kiwanis Safe and Healthy Kids shall be immediately available for distribution through grants as recommended by the Grants Committee and approved by the Board.

**iii. K.I.C.K. (Kiwanis Investing in Circle K)**

Kiwanis Clubs shall annually be asked to donate \$100 to support Ohio District Circle K because there is no Kiwanis sponsor fee for a Circle K Club and not all Kiwanis clubs have the opportunity to sponsor a Circle K Club. The funds are channeled through the Ohio District Kiwanis Foundation and used primarily to support Circle K leadership development.

**iv. Key Leader Fund**

Kiwanis clubs or individuals shall be asked to donate funds to support the attendance of high school students at the Key Leader Program. The funds will be distributed to the Ohio District Key Leader account for scholarships to this program.

**v. Disaster Relief Fund**

It shall be the purpose of the Ohio Kiwanis Disaster Relief Fund, an entity of the Ohio District Kiwanis Foundation, to collect and disburse, under the guidelines and rules, herein established, all monies given to the fund and designated for such use.

This shall be a separate fund within the Ohio District Kiwanis Foundation, and as such, all inflow and outflow records shall be assigned Foundation account numbers.

Funds donated toward a specific disaster will be held for use for response to request for funds for six months. If all of these donated funds are not requested, the funds will be moved to the general disaster fund for use in future disaster needs.

**vi. Ohio Key Club Leadership Development Fund**

All funds submitted to the Foundation specifically for the Fund shall be kept in that Fund and used at the discretion of the Ohio Key Club Board with approval from the Foundation Board.

The Board has designated the interest earned annually from the Ohio Key Club Leadership Development Fund for grants to Ohio Key Club. If the Fund does not distribute all of the annual

interest earned on the principal of the account, the interest shall continue to be reinvested in the Fund as principal for future interest earnings.

**vii. Don Williams Memorial Ohio District Golf Outing**

The Ohio District Kiwanis Foundation shall host a golf outing annually in the summer for the purpose of raising funds for the Foundation initiatives and projects.

The use of proceeds of the annual District Golf Outing will be designated by the Foundation Board of Directors. A reserve fund of not more than \$10,000 will be maintained by the Foundation to be used for expenditures in advance of receipts for the event. The reserve funds may be invested as a part of the principal of the Endowment Funds of the Foundation.

**viii. Aktion Club Leadership Development Fund**

All funds submitted to the Foundation specifically for the Fund shall be kept in that Fund and used at the discretion of the Ohio Aktion Club Administrator and Advisory Committee with approval from the Foundation Board.

The Board has designated the interest earned annually from the Ohio Aktion Club Leadership Development Fund for grants to Ohio Aktion Club. If the Fund does not distribute all of the annual interest earned on the principal of the account, the interest shall continue to be reinvested in the Fund as principal for future interest earnings.

**C. Donation of Real Property**

The Ohio District Kiwanis Foundation may accept real property at the discretion of the Board.

**5. INVESTMENTS**

Refer to the Ohio District Kiwanis Foundation Investment Policy Statement (See Appendix A).

**6. DISBURSEMENTS**

**A. Expenditures**

Expenditures in each administrative year will be no greater than 5% of the average of the previous three years' ending assets minus the Club Advised Fund liabilities, with at least a minimum of 2% of that amount given for grants which would not include the pass through funds.

**B. Grants**

The Board may approve funding of special projects recommended by Kiwanis Clubs which support the ideals and objectives of Kiwanis International as well as the Ohio District Kiwanis Foundation mission. All grants will be for projects benefiting multiple persons rather than individuals. Upon recommendation of the Grants Committee and approval by the Board may grant funding of special projects without receiving an application from a local Kiwanis club or outside organization if that project addresses special issues within the focus of the Foundation.

Any unused funds will be returned to the Foundation with the final report of the grant activities and expenditures

**i. Eligibility**

Grant applications must be in keeping with the purposes of the Ohio District Kiwanis Foundation. Grant requests for projects sponsored by and showing involvement of qualifying Kiwanis organizations located in Ohio will be preferred.

The Ohio District Kiwanis Foundation welcomes grant requests from agencies, organizations and Kiwanis Family Clubs.

The Foundation makes no grants to individuals. The Foundation operates without discrimination as to age, race, religion, gender, sexual orientation or national origin in considering grant requests from agencies and organizations.

**ii. Guidelines**

The Ohio District Kiwanis Foundation is interested in funding service projects that can demonstrate an impact on the needs of children and others in the community. Grant applicants should keep in mind that priority is given to projects that:

- (1) Reach those persons who are not met by existing services.
- (2) Request seed money for innovative programs in the Foundation's field of interest.
- (3) Encourage matching gifts or additional funding from other donors, such as the general public or government.
- (4) Yield substantial benefits for the resources invested.
- (5) Support the Foundation's emphasis on Kiwanis Safe and Healthy Kids programs
- (6) Request funds under \$5,000.

**C. Kiwanis Safe and Healthy Kids Grants**

These funds will be made available on a pass through basis for projects which address the focus of Kiwanis Safe and Healthy Kids as recommended by the Gifts and Grants Committee and approved by the Ohio District Kiwanis Foundation Board at their meetings in December, May and August. The application and reporting process will be the same as those for other grants as described above.

**D. K.I.C.K. (Kiwanis Investing in Circle K)**

These funds will be made available for leadership development activities as determined by the Ohio District Circle K Administrator and the approval of the ODKF Board.

**E. The Ohio District Kiwanis Key Club Scholarship**

This is a special scholarship program of the Ohio District Kiwanis Foundation. No specific requirements of need or ability shall be required of students applying for such scholarships or to whom such scholarship is awarded. The decision as to who shall be awarded such scholarships shall rest with the Ohio Key Club Scholarship committee. A minimum of \$1000 is allocated to this program.

**F. Circle K Scholarship**

This is a special scholarship program of the Ohio District Kiwanis Foundation. No specific requirements of need or ability shall be required of students applying for such scholarships or to whom such scholarship is awarded. The decision as to who shall be awarded such scholarships shall rest with the Ohio Circle K Scholarship committee. A minimum of \$1000 is allocated to this program.

**G. Key Club and Circle K Governor and Board Representative Recognition**

The Foundation will recognize the Ohio Governor of Key Club and Ohio Governor of Circle K with a Past International Presidents' award. The Award will be given at the annual District Convention of each organization. In addition, the Foundation will recognize the service of the Key Club and Circle K representative to the Foundation Board by providing an appropriate recognition determined by the Foundation executive committee.

**H. Disaster Relief Fund**

Any Kiwanis entity may request funds from the Ohio District Kiwanis Disaster Relief Fund. This includes Kiwanis Clubs, Key Clubs, Circle K Clubs, Builders Clubs, K Kids clubs, Aktion Clubs, and Ohio District Divisions.

The Ohio Kiwanis Disaster Relief fund will accept only financial contributions and will disburse only financial grants. The Foundation is not equipped to handle material gifts or purchase and disburse material items.

**I. Douglas R. K. Everett Award**

The Foundation shall annually provide a plaque in recognition of the Outstanding District Chair as designated by the incumbent Governor of the District.

**J. Albert and Iris Gilbert Humanitarian Award**

The Foundation shall annually provide a plaque and a \$200 grant in recognition of the Albert and Iris Gilbert Humanitarian Award as determined from nominations submitted from Kiwanians in the Ohio District. Selection of the award recipient will be made by a committee made up of the ODKF President, ODKF Executive Director, Immediate Past Governor of the Ohio District and Past Governor Albert Gilbert (ex officio).

**K. Other Designated Funds**

Funds that are designated for Flow through Accounts shall be disbursed by the Treasurer in a timely manner to the organization for which they are designated. Such checks may be presented by the Kiwanis club or organization that has solicited the funds.

**L. Ohio Key Club Leadership Development Fund**

The funds in this category may be used to support the leadership activities of Ohio Key Club. The use of this fund shall be outlined in the fund budget and may be used for: Hotel rooms, Meals, Travel, Credit card payments, Supplies, Speakers, Room or facility rental fees, and other as approved by Administrator and ODKF Treasurer

**M. Ohio Aktion Club Leadership Development Fund**

The funds in this category may be used to support the leadership activities of Ohio AKtion Club. The use of this fund shall be outlined in the fund budget and may be used for: Hotel rooms, Meals, Travel, Credit card payments, Supplies, Speakers, Room or facility rental fees, and other as approved by Administrator and ODKF Treasurer

**N. B. David Whiteman Secretary Award**

**O. Dale and Polly Leach Key Club Scholarship Award**

**7. CLUB ADVISED FUNDS**

Ohio District Kiwanis Clubs or sponsored organizations can establish a 501(c)(3) sub fund of the Ohio District Kiwanis Foundation which shall be designated as a Club Advised Fund. This Fund can be established by completion of an agreement form which is submitted for approval to the Ohio District Kiwanis Foundation.

All funds deposited in a Club Advised Foundation are invested by the Foundation. Distributions will only be made to qualified tax exempt organizations upon approval of the Board. There is an annual administrative fee for serving as investment agency for each Club Advised Fund and each Fund will pay the investment management fee as charged by the investment advisor.

If a Club decides to close their Club Advised Fund it must do so with the permission of the Ohio District Kiwanis Foundation Board. Funds may be distributed to an approved 501c3 Foundation or organization. Preference will be made to distribution to ODKF or to SLP's which are sponsored by the Kiwanis Club with the CAF.

**Required meetings.** The Club agrees to send a representative of the Club to a Foundation Club Advised Fund meeting at the Ohio District Kiwanis Mid-Year Education Day and the Ohio District Kiwanis annual convention.

**Club Dissolution.** In the event that Club is no longer chartered in the Ohio District of Kiwanis International, all assets of the Fund will become property of the Foundation.

## CHANGES TO POLICY

### **CHANGE OF POLICIES OR PROCEDURES**

The Foundation Policy Manual shall be adopted by the Ohio District Kiwanis Foundation Board and be published as an appendix to the Ohio District Kiwanis Foundation Bylaws and a copy shall be distributed to each member of the Foundation Board and made available upon request to each club in the Ohio District of Kiwanis International.

These policies shall remain in effect until altered in total or in part by a succeeding Foundation Board or negated by an amendment to the Foundation's Bylaws.

Should there be any conflict with the Foundation Policy Manual; the Foundation Bylaws shall supersede the Foundation Policy Manual.

### **PROPOSALS**

Whenever a policy is proposed to amend or revise the Ohio District Kiwanis Foundation Policy Manual, the person who has proposed that policy shall submit to the Policy Committee, in written form, the proposed statement of policy and a copy of any current policy that is to be amended or revised.

The Policy committee will review all requests and make appropriate recommendations to the Ohio District Kiwanis Foundation Board.

The Foundation Board shall receive all recommendations from the Policy Committee at least 10 days before any meeting.

After consideration the Foundation Board may approve any Policy changes by a majority vote of those present at any regular or special Board meeting.

**Investment Policy Statement**  
**Ohio District Kiwanis Foundation**  
January 17, 2015

### **1.0 Statement of Purpose**

- 1.1** The purpose of this Investment Policy Statement (IPS) is to provide guidelines and a general framework to be utilized by our advisor(s) to effectively allocate, supervise, monitor, and evaluate the investment assets of the Ohio District Kiwanis Foundation.
- 1.2** This IPS does not constitute a contract. It is intended solely as a summary of investment philosophy to provide guidance for the management of the Ohio District Kiwanis Foundation's portfolio. The hiring and retention of any investment advisor requires an additional and separate agreement/contract which shall be in accordance with the policies and requirements in this IPS.

### **2.0 Recognition of Fiduciary Responsibility**

- 2.1** The Ohio District Kiwanis Foundation recognizes the importance of sound fiduciary practices in both the choice of an investment adviser and in our monitoring of the adviser's practices.
- 2.2** The Ohio District Kiwanis Foundation recognizes the following Uniform Standards of Care:
- 2.2.1** Know standards, laws and pertinent trust provisions.
  - 2.2.2** Diversify assets to specific risk/return profile for the funds.
  - 2.2.3** Prepare a detailed, written investment policy statement.
  - 2.2.4** Use "prudent experts" and document due diligence.
  - 2.2.5** Control and account for all investment related expenses.
  - 2.2.6** Monitor the activities of "prudent experts".
  - 2.2.7** Avoid all conflicts of interest and prohibited transactions.
- 2.3** Our investment advisers must also demonstrate a high degree of their own fiduciary responsibility and adhere to prudent choices of investment products and processes. They must acknowledge and adhere to the above Uniform Standards of Care.

### **3.0 Investment Policy Statement**

- 3.1** The Ohio District Kiwanis Foundation and its Finance committee take seriously the stewardship and responsibility over its funds. It recognizes that all donations and club advised funds reflect an implicit trust in the Foundation's ability to invest these resources and to use these funds wisely. The Finance Committee will work with its investment adviser to set policy, establish performance benchmarks and monitor the performance of the Ohio District Kiwanis Foundation's portfolio against these policies and benchmarks.
- 3.2** The Foundation's investment philosophy reflects the following fiscal objectives:
- 3.2.1 Primary Objective:** Preservation of purchasing power  
Asset growth, exclusive of contributions and withdrawals, should exceed the rate of inflation in order to preserve the purchasing power of the Foundation's assets.

### **3.2.2 Secondary Objective: Growth of capital**

Asset growth, exclusive of contributions and withdrawals, should provide a rate of return competitive with a balanced portfolio.

**3.3** These objectives should be achieved by utilizing a strategy of equities, fixed income, cash equivalents and alternative investments in a mix that is conducive to participation in a rising market while allowing adequate protection in a downward market.

**3.4** The investment funds of the Ohio District Kiwanis Foundation are segregated into levels of investment as shown below:

**3.4.1 Current Operating Funds / Short Term Reserves:** Defined as the amount needed to fund current budgeted obligations, grants, scholarships and reserves. These funds are not included in the overall portfolio allocations percentages.

**3.4.2 Endowment and Club Advised Funds:** Defined as funds set aside as the corpus of the Foundation and the assets of the Club Advised Funds. These funds are available for investment under the direction of the Board of Directors of the Foundation.

**3.5** It is expected that the past year's contributions and donations can be used to fund the next year's current expenses; however, our portfolio must have a reasonable level of income producing assets to also give liquidity in addition to long-term growth of capital. The minimal level of overall growth expected would be greater than the Consumer Price Index – Urban.

## **4.0 Investment Strategies**

Using the investment instruments outlined below, the following investment guidelines should be followed for each category of funds.

### **4.1 Current Operating Funds**

**4.1.1** 0% to 100% Cash and Equivalents or anticipated income from income producing assets

**4.1.2** Cash is defined as the Foundation's checking accounts and money market funds at financial institutions chosen by the Board of Directors. These checking accounts and money market funds should be used for current operating funds. These accounts should not exceed the lesser of \$250,000 or the FDIC insured account maximum. In the event that the donations and contributions in a current year do not cover the operating expenses, anticipated income from income producing assets will be used as part of our current operating funds.

### **4.2 Endowment and Club Advised Funds**

**4.2.1** Category I-A 15% Minimum to 25% Maximum

Acceptable investments within this category include: CDs, US Treasuries, interest bearing checking accounts, and liquid money market accounts. The aim of this category of the portfolio above all else is to protect the principal.

**4.2.2** Category I-B 25% Minimum to 50% Maximum



Given the potential of non-normal behavior (as defined by the Stringer Asset Management Cash Indicator) in the financial markets the Investment Policy Statement (IPS) will allow for an increase of up to 50% cash or cash equivalents in Category I by the advisor in conjunction with the approval of the OKDF Finance Committee. The process involves exiting the markets and raise up to 50% in 25% increments. Reinvestment will take place in two phases. Half of the cash raise will be reinvested when volatility is subsiding and the price of the S&P Index rises above its 120-day moving average. The remaining cash is reinvested as volatility continues to fall and the price of the S&P 500 rises above its 200-day moving average.

#### **4.3 Category II      50% Minimum to 65% Maximum**

- 4.3.1** Acceptable investments within this category include income producing stocks, stock funds, balanced funds, bonds, international stocks and international bonds within a fund.
- 4.3.2** The aim of this category is to provide current income along with the possibility of long-term growth of capital. It is understood that the value of this portion of the portfolio will fluctuate and will consequently involve risk.
- 4.3.3** The resources allocated to this category can be invested with a professional money manager either directly or via a mutual fund. At the point of investment, the individual asset position will be associated with a closely correlated index and monitored relative to its performance on an ongoing basis with its peer group index. If an individual asset in this category underperforms its benchmark by 10% or more in any rolling 12 months, it will be considered as a warning for replacement, unless additional analysis is presented.

#### **4.4 Category III      10% Minimum to 30% Maximum**

- 4.4.1** Acceptable investments within this category include non-income producing stocks, stock funds and alternative investments. This category can include large capitalization, mid-capitalization, small capitalization and international stocks with the portfolio. The category can include assets which are income producing. The aim of this category is long-term growth of capital with no consideration given to current income. This category is the most aggressive component of the portfolio and will experience more volatility and possibility of capital losses than the other categories.
- 4.4.2** The resources allocated to this category can be invested with a professional money manager either directly or via a mutual fund. At the point of investment, the individual asset position will be associated with a closely correlated index and monitored relative to its performance on an ongoing basis with its peer group index. If an individual asset in this category underperforms its benchmark by 10% or more in any rolling 12 months, it will be considered as a warning for replacement, unless additional analysis is presented.
- 4.4.3** Alternative Investments  
Investment vehicles and strategies not typically included in the asset classes described above. Alternative investments may include, but are not limited to: hedge funds,

managed futures products and private placements. Each position is recommended not to exceed 3-5% of the total portfolio.

## **5.0 Investment Funds and Manager Selection**

**5.1** The investment funds and managers selected shall have demonstrated the ability to provide above average returns when measured against their peers and their benchmarks over time. It is the responsibility of the investment advisor to provide ongoing review and analysis of the managers and funds within the investment account.

**5.2** An investment may be replaced or repositioned for any of the following reasons:

**5.2.1** Departure of one or more of the firm's key investment personnel.

**5.2.2** Deviation from the firm's or fund's stated investment discipline.

**5.2.3** Poor investment performance over a "reasonable" period of time (two years as a minimum, with three years a more appropriate period under normal circumstances).

**5.2.4** Change of client's objectives, which become incompatible with the particular investment.

**5.2.5** A better alternative not previously available becomes available.

**5.2.6** The investment category is not within the stated parameters of this IPS.

## **6.0 Investment Adviser Restrictions**

**6.1** There shall be no more than 20% invested in any one industry sector.

**6.2** The market value of any one investment position shall not exceed 5% of the total portfolio, with the exception of securities issued by the U.S. Government and its agencies or investment in mutual funds.

**6.3** There shall be no short selling, securities lending, financial future, margins, options, or other specialized investments.

**6.4** There shall be no investments in non-marketable securities, commodities, or speculative real estate.

**6.5** There shall be no investments in private placements or letter stock, with the exception of those given as gifts.

**6.6** If any major management or personnel changes are scheduled to occur with the investment adviser's firm, the Finance committee is to be immediately notified.

## **7.0 Investment Adviser Review Process**

**7.1** The Finance Committee, Board of Directors and other interested and authorized persons can/will monitor investments based on the monthly consolidated statement of positions provided by the investment adviser and miscellaneous specific reports and information prepared by the advisor from public sources.

**7.2** Advisor will be available for communication as requested and will provide at least quarterly a written performance analysis including current status, future expectations, analysis of performance and allocation of investments, and performance comparison to peer groups.

**7.3** Verbal report to the Finance Committee chair to provide update and analysis is encouraged at any time.

**7.4** The advisor will also meet with Foundation Finance Committee and/or Board as deemed necessary, but at least twice per year to review performance, perspective and analysis of the portfolio, including peer group comparisons.

- 7.5** Failure to follow the Ohio District Kiwanis Foundation’s Investment Policy Statement will be grounds for removal. Written notification from the Finance Committee will be sent to the investment advisor establishing the violation with a specific time frame of no longer than 3 months from the date of the notification to comply with the policy. Non-conformance will result in termination.
- 7.6** Failure to consistently meet investment benchmarks, as established within a reconciled performance monitor, over an extended period of time may result in the investment advisor being placed on “watch” and may lead to termination. Specifically, if portfolio assets trail their respective index by 200 basis points over 3 years and/or portfolio assets are in the 50 percentile ranking or below of a comparable peer group, then the investment adviser is immediately placed on “watch” for not doing due diligence over the portfolio management.
- 7.7** Substantive changes in an investment adviser’s philosophy, process, people or fees may result in the investment adviser being placed on “watch” and may result in termination.

## **8.0 Policy Review**

- 8.1** It shall be the responsibility of the Finance Committee to review this policy periodically but not less frequently than annually. Any modifications shall be approved by the Board of Directors of the Foundation and reviewed with the investment adviser in a timely manner. It is understood, however, that it is generally not in the best interest of Ohio District Kiwanis Foundation to react to short-term events that contradict the longer term policy adopted in this policy.

Policy Manual Updates Adopted by Ohio District Kiwanis Foundation on January 9, 2021.