

**POUDRE WILDERNESS VOLUNTEERS**  
**Endowment Fund Committee**  
**Description, Policies, and Procedures**  
**Updated April 16, 2015**

**I. DESCRIPTION.** The Poudre Wilderness Volunteers Endowment Fund Committee ("Committee") is constituted to recognize and administer gifts to the Poudre Wilderness Volunteers Endowment Fund ("Fund"). The purpose of the Fund is to enhance the mission of Poudre Wilderness Volunteers ("PWV") by providing a stable, predictable and ongoing funding basis. If there is any conflict between this document and the Bylaws of PWV, the Bylaws will control.

**II. DURATION.** The Fund and the Committee will continue operating so long as PWV exists. If PWV ceases operations, the Fund will be distributed by the Board in accordance with the dissolution provisions included in the Articles of Incorporation, retaining the endowed nature of the Fund.

**III. MEMBERSHIP.** The Committee will consist of up to five voting members, three of whom will be elected to three-year terms by a majority vote of the Board, with initial terms staggered over three years. The Board will seek candidates from among PWV Advisory Board members, regular Board members, and active members, but may also elect other individuals with special expertise. The fourth and fifth members of the Committee will be the PWV Treasurer, who will serve as long as his/her term as PWV Treasurer continues, and the Most Recent Past Chair of the Board, who will serve for one year. If the PWV Treasurer or Most Recent Past Chair of the Board are unable or not interested in serving on the Committee, the Board may elect other Committee members to fill the open positions. The Current Chair of the Board will be a non-voting advisory member of the Committee. The Committee will be accountable directly to the Board.

**IV. MEETINGS.** The Committee will meet at least quarterly. A quorum will consist of three members, whose vote will be sufficient to carry any motion or resolution.

**V. OFFICERS.** The Committee will elect from its membership a Committee Chair and a Committee Secretary. The PWV Treasurer will serve as the Committee Treasurer of the Committee, unless the PWV Treasurer is not serving as a member of the Committee, in which case, the Committee will elect a different Committee Treasurer. These positions will have the duties described in Article XIII.

**VI. DUTIES.** The Committee has full responsibility for managing the Endowment Fund's investments, and in selecting investment advisors. The Committee will report quarterly to the Board and at each annual meeting of the membership. The Committee may seek out other members of PWV or the larger community to serve as advisory members and, with the prior approval of the PWV Board of Directors and at the Fund's expense, engage professional investment and legal counseling as the Committee may deem necessary. The Committee will amend the Description, Rules, and Procedures whenever necessary to conduct its business and to maintain the purposes of the Fund. No member of the Committee will engage in any self-dealing or any transactions with the Fund in which the member has a direct or indirect financial interest.

Each member will at all times refrain from any conduct in which the member's personal interests conflict with the interests of the Fund and will refrain from any appearance of such impropriety. The Committee will ensure that each contribution to the Fund is formally acknowledged so that the donor may claim a charitable tax deduction.

**VII. CONTRIBUTIONS TO THE FUND.** The assets of the Endowment Fund include contributions from individuals, corporations and foundations, and all donations given "in memory of a person", directed to a "Memorial Fund," or given by will, trust, gift annuity, or similar bequest. Contributions are preferred to be unrestricted, and any restrictions on the use of the earnings, upon recommendation by the Committee, must be approved by the Board before the contribution is accepted into the Fund. The pro rata earnings of each of the Fund, including any Donor-Restricted Endowed Funds accepted, determined as of December 31, will be recorded in the Committee minutes of the next meeting of the Committee.

- A. Unrestricted Funds are the general contributions to the Fund. No minimum contribution is required. Unrestricted Funds consist of all gifts and bequests not specifically designated as Donor-Restricted Endowed Funds. Investment decisions for Unrestricted Funds will be made solely by the Committee. Distributions from Unrestricted Funds will be administered by the Committee.
- B. Donor-Restricted Endowed Funds are initiated by individual donors. A minimum initial contribution of \$10,000 is required. Investment decisions for Donor-Restricted Endowed Funds will be made solely by the Committee. Distributions from Donor-Restricted Endowed Funds will be administered by the Committee. The donor may define how the earnings from the gift will be used and earnings are to be distributed. The gift and special terms must be approved by the Committee and the Board, and must be appropriate to the goals and purposes of PWV.

**VIII. ASSETS OF THE FUND.** All assets of the Fund will be held in the name of Poudre Wilderness Volunteers but will be accounted for separately from PWV operating funds and other property belonging to PWV. The Committee may, but is not required to, physically separate any Donor-Restricted Endowed Funds.

**IX. INVESTMENT OBJECTIVES.** The Fund is a long-term investment. The Committee, working with its investment advisor(s), will decide by majority vote all investment strategies, and will seek preservation of the Fund's principal and provide for a dependable and reasonable rate of return with low to moderate investment risk. The Committee will make its best efforts to keep the allocation of the Fund's assets within the following ranges:

Equities (stocks):	50 to 80%
Fixed income (CD's or bonds):	20 to 50%
Cash or its equivalent:	0 to 30%

Specific Donor-Restricted Endowed Funds may be treated differently. Ambitious goals of profit maximization through market timing or short-term, speculative, or overly risky investments will not be considered. The Committee will avoid fixed-income securities that are not denominated in U.S. dollars, venture capital arrangements, factoring or guaranteed investment contracts, direct investment in commodities, precious metals, or gems, international equities not traded on

domestic exchanges, limited partnership interests, and interests in closely-held corporations or limited liability companies. Gifts of real estate (other than publicly traded real estate investment trusts or similar investment entities that otherwise satisfy the requirements of this paragraph), partial interests in property, property encumbered by debt, gifts of property that may have title or environmental problems, gifts of property that may not be marketable within a reasonable time, and gifts of property that may raise adverse tax consequences for the Fund will be evaluated by the Committee and the Board before being accepted into the Fund.

#### **X. DISTRIBUTIONS FROM THE FUND.**

- A. Unrestricted Funds. No distributions will be made from the Fund until the Unrestricted Fund account market value reaches the sum total of \$50,000. Each year thereafter, the PWV Endowment Committee will record the total market value of the unrestricted fund on Dec 31. The Endowment Committee may distribute up to, but no greater than 5% of the unrestricted Fund's total market value. At no time will the unrestricted fund balance be reduced through such distributions to a value below \$50,000. Generally, a distribution of 5% of total market value would be appropriate as an annual distribution, though the PWV Endowment Committee may elect a distribution of less than 5%. (See examples in "Examples of Disbursement" below.) The Committee may solicit suggestions or requests for funding and will implement procedures for soliciting, processing, and disbursing grant requests. Grants will be issued only after recommendation of the Committee to the Board and approval by a majority vote of the Board.
- B. Donor-Restricted Endowed Funds. Distributions of net earnings will be made by the Committee for the purposes or according to the terms generally defined by the donor. The Committee may solicit suggestions or requests for funding and will implement procedures for soliciting, processing, and disbursing grant requests. Grants will be issued only after recommendation of the Committee to the Board and approval by the Board.

**XI. LIABILITY.** No member of the Committee will be personally liable for any losses experienced by the Fund except to the extent the losses were caused by the member's gross negligence or intentional misconduct or omission. The Committee and its members will not be responsible for advising donors of any tax or other consequences that may result from any gift. Donors will be advised to consult an attorney, accountant, or other tax advisor concerning the potential consequences of a gift in the donor's circumstances.

#### **XII. BOARD PROCEDURES TO SUPPORT ENDOWMENT FUND COMMITTEE FUNCTIONS.**

- A. The Committee Treasurer will keep the Committee informed of donations received, disbursements of grant amounts, account balances, maturity dates of investment instruments, and other matters needing attention or management by the Committee. The Committee Treasurer will provide bookkeeping and financial information as necessary to accomplish the purposes of the Committee.
- B. The Committee Treasurer will log all donations to the Endowment Fund into the PWV bookkeeping records. The Committee Treasurer will send a copy of the check or other documentation of the donation to the Committee Chair and Committee Secretary, along with the donor's mailing address and the amount received. The Committee Secretary will

then write an acknowledgement note to the donor or the donor's family.

- C. Upon receipt of Endowment mutual fund, CD, and other investment statements and notices, the Committee Treasurer will update the PWV balance sheet to reflect the current values of each account. Copies of the quarterly investment statements will then be sent to the Committee Chair. This is to keep the Committee regularly informed of investment earnings and account balances so that it can manage the accounts. The Committee will place statements and notices in the Committee records binder, kept by the Committee Chair.
- D. At the end of each quarter, the Committee Treasurer will send to the Committee Chair an updated copy of the "Transactions by Account" statement for the current fiscal year Endowment Fund activities.
- E. The Committee Treasurer will monitor the maturity dates of all certificates of deposit and similar investments held by the Endowment Fund and will alert the Committee at least 90 days before each maturity date.
- F. The Committee Treasurer will send each member of the Endowment Committee a copy of the monthly treasurer's report prepared prior to each meeting of the PWV Board.

### **XIII. COMMITTEE POSITION DESCRIPTIONS.**

- A. Committee Chair
  - Schedule and remind members of meetings.
  - Coordinate all Committee decisions regarding investment strategy, investments and investment advisors.
  - Recruit new members as needed and give names to the Board Chair for nomination.
  - Keep Board members informed about procedures and timing for grant applications.
  - Each November, determine whether account signatories need to be updated and, if so, take necessary action.
  - Ensure all major gifts are acknowledged, including bequests.
  - Be familiar with procedures for acknowledging memorial gifts and be sure the Committee Secretary understands them.
  - Coordinate activities relating to fund development and publicity, including the production of letters, brochures, electronic media publicity and other ways to seek contributions to the Fund, including an annual appeal to PWV members and friends each October.
  - Obtain financial information as needed to conduct Committee business.
  - Supervise grant procedure, including solicitation and review of funding requests.
  - Present recommendations concerning grant applications to the Board.
  - Update the PWV website with new committee members, and post any new/updated relevant documents.
- B. Committee Secretary
  - Write acknowledgement to the family of the deceased or donor who has given a bequest or gift.

- Write acknowledgements for all memorial gifts, and copy to Committee Treasurer.
- Keep minutes of all Committee meetings.
- Maintain all Endowment Fund records.
- Inform grant applicants of funding decisions after Committee review and Board approval or disapproval.
- Check that written reports are submitted by grant recipients.
- Produce and distribute letters and other forms of communication seeking contributions to the Fund.
- Assist Committee Chair with other administrative activities.
- Update the “Wilderness Wall” on the PWV website when donations are made and the donor has given permission.

C. Committee Treasurer

- Provide Committee with needed Fund information and records.
- Send quarterly financial statements for the Fund to the Committee and Board.
- Purchase new investments as decided by the Committee in consultation with the investment advisor.
- Monitor balance and maturity dates of investments and report to the Committee.
- Send fiscal year-end reports of account balances and gifts to the Board.
- Determine amount of money available for grants.

**XIV. RECEIPT AND ACKNOWLEDGEMENT OF GIFTS AND BEQUESTS.** The Committee Secretary, on behalf of the Committee, will write acknowledgements for gifts that go into Unrestricted Funds or Donor-Restricted Endowed Funds. Acknowledgements will be sent to both the donor and the family of the deceased.

A. After receiving a copy of each donation check from the Committee Treasurer, the Committee Secretary will enter the donation amount in the Committee's records. Acknowledgements will be sent to donors within one week of receipt. Acknowledgements of multiple donations should show monthly total donations rather than individual gift amounts.

B. Acknowledgements of gifts of \$250.00 or more must be accompanied by the following statement:

"This was a charitable donation. No goods and services were received in exchange for this donation. The only benefit received was an intangible benefit."

C. When notification of a bequest is received, the Committee Secretary will make a file labeled with the donor's name. All correspondence from the office of the attorney handling the estate, the personal representative, trustee or family (the “Legal Representative”) goes into this file. The Committee checks on progress as needed. When the check is received, the Committee Secretary will write an acknowledgement to the family, obtaining the name and address from the Legal Representative if necessary. The Committee Secretary will then give a copy of the check to the Committee Treasurer to enter the donation amount in the Committee's records. The file, including a copy of the

check, will go in the Committee files under "Bequests Received."

**XV. ACCOUNT SIGNATORIES AND ELECTRONIC ACCESS.** The Committee must have full account access to Endowment Fund investments in order to manage the investments according to the Committee's investment plan and decisions. Signatories on Fund investments must be updated when designated signatories leave their positions as Committee or Board members (such as the PWV Treasurer).

- A. A resolution must be approved by the Board to make a change in the account signatories. A motion should be drafted and presented to a Board member to present at their next meeting for consideration. A sample motion is:

The Committee requests that the Board update signatories for the Endowment Fund investment accounts held at [Fund or investment name], [Fund or investment name] and [Fund or investment name] to include [Name] (PWV Board, Treasurer-Elect), [Name] (Endowment Fund Committee, Chair) and [Name] (Endowment Fund Committee, Secretary), and that previously designated signatories be removed from the accounts.

- B. No more than three individuals should be designated as signatories at any one time. The Committee Chair, Committee Secretary, and the Committee Treasurer should usually be named as signatories, though other persons may be designated if appropriate.
- C. To reduce the frequency of signatory changes, it is advisable to designate individuals who are expected to hold their positions or membership on the Committee or Board for at least two years.

Once the Board has authorized changes to be made in the account signatories, the Committee must request the changes be made by the investment firms and supply the required information.

- E. Phone and online account access can only be established and maintained by a designated signatory. For corporate accounts, the investment firm must be contacted by phone to verify information and set up access. The Committee Secretary is generally charged with the task of acquiring and maintaining access and with obtaining account information as needed to conduct Committee business.

**XVI. PROCEDURES FOR ENDOWMENT FUND GRANTS.**

- A. The Endowment Fund holdings and income will be reviewed each year after year-end investment statements are received. The dollar amount available for grants will generally be determined by January 31.
- B. If funds are available for disbursement, the Committee will inform the Board at its February meeting and request grant applications from the Board and its committees.
- C. Grant applications must be received by the Committee by March 15. Grant applications

may be accepted from individual PWV members, recognized PWV committees, or the Board.

- D. At the Board's April meeting, the Committee will recommend which projects to fund and in what amounts. Final decisions regarding funding of grants will rest with the Board.
- E. The Committee will notify grant applicants of the Board's decisions. The Committee will provide funds for approved grants as soon as possible through the Committee Treasurer. The Committee may sell Fund assets as needed to provide funding.
- F. Persons and committees approved for grant funding must report on expenditures and project status to the Committee by December 31. Reports on multi-year grants must be made by December 31 of each year until the project is complete.
- G. Timing, deadlines, and grant procedures may be modified by the Committee as needed for appropriate management of the Endowment Fund.

## **PWV ENDOWMENT FUND COMMITTEE**

### **PROCEDURE: BEQUESTS TO PWV**

1. When the Committee Secretary receives notification of a bequest (from attorney, personal representative or trustee (the “Legal Representative”)), the Committee Secretary will make a file: (For instance, "Ralph Bryant Estate")
2. The Committee Secretary will keep any correspondence from the Legal Representative and check on progress when that seems appropriate.
3. When check is received:
  - a. The Committee Treasurer will give copy of check to Committee Secretary to record.
  - b. The Committee Secretary will write thank-you letter to the family (sometimes it is necessary to get name and address from the Legal Representative).
  - c. The Committee Secretary will put the file under "Bequests Received," and retain a copy of the check in the file.

## **PWV ENDOWMENT FUND COMMITTEE**

### **POLICY: GIFT ACKNOWLEDGEMENTS**

#### **A. GIFT ACKNOWLEDGMENTS IN GENERAL:**

Endowment Fund Committee will take care of acknowledgments for all memorials that will go into the Endowment Fund, whereas the PWV Board will take care of acknowledgements for memorials that will go into the operations accounts.

#### **B. PROCEDURE FOR ACKNOWLEDGMENTS FROM ENDOWMENT FUND COMMITTEE:**

1. The Committee Treasurer will provide the Committee with copies of checks received.
2. The Committee Secretary will send acknowledgments to both donor and to family of deceased. Acknowledgments will be sent to donors within one week of receipt and family of deceased monthly as long as gifts arrive.
3. Acknowledgements sent by the Committee Secretary to families of the deceased will include names of donors, totals of gifts received to date (rather than individual gift amounts, and range of value of gifts received (e.g., "gifts from \$15 to \$250 were received").
4. The Committee Secretary will retain records of copies of checks received.

#### **C. GIFTS OF \$250 AND ABOVE:**

1. Per IRS rules, these gifts must be accompanied by a statement such as:  
  
"No goods or services were received in exchange for this donation; the only benefit received was an intangible benefit. The amount of the gift is fully deductible under federal tax laws."
2. The Endowment Fund Committee must use wording such as the above when acknowledging gifts of \$250 and above.

## **PWV ENDOWMENT FUND COMMITTEE**

### **PROCEDURE: ENDOWMENT FUND GRANTS**

1. The Endowment Fund holdings will be reviewed in January of each year. If sufficient, the *availability* of grants will be announced by the second Thursday in February.
2. The Committee Secretary will make the grant application form available upon request. Grant applications may be made by individual PWV members, recognized PWV committees, or the Board.
3. Requests for funding will be due to the Committee by March 15 of each year.
4. A Committee decision on the grants will be made by April 15, and it will carry these recommendations to the Board at its April meeting. The Board will make the final decision on each grant, with funds available as soon as possible thereafter.
5. Applications not approved for funding may be resubmitted the following year. The Committee will not review applications again unless they are resubmitted.
6. Those who receive grants must submit a written report to the Endowment Fund Committee of the project funded, by December 31 of the year in which the grant is received, including providing receipts for expenditures of Endowment Fund grants.

**PWV ENDOWMENT FUND COMMITTEE**

**ENDOWMENT FUND: EXAMPLE OF DISBURSEMENT  
(Hypothetical)**

Ex.1 Fund reaches \$50,000

December 31, 2016: Fund market value reaches \$55,000  
5% of total fund market value (\$55,000) = \$2750  
If distributed, remaining market value = \$52,250 which exceeds the  
\$50,000 threshold.

Ex. 2 Dec 31, 2016: Fund market value = \$52,000  
5% of total fund market value (\$52,000) = \$2600  
Only \$2000 can be distributed so as not to go below \$50,000 threshold.

3. Requests for funding are due March 15, 201x.
4. Grant decisions are made at the Board's April meeting, with funds available immediately thereafter.

**PLEASE NOTE THAT THIS EXAMPLE IS HYPOTHETICAL.**

THE ENDOWMENT FUND COMMITTEE WILL NOTIFY THE BOARD WHEN THERE ARE FUNDS TO DISBURSE.

**POUDRE WILDERNESS VOLUNTEERS**

**ENDOWMENT FUND GRANT APPLICATION**

The Endowment Fund has grown to the point that grants will be made from the fund. This application must be completed and submitted to the Endowment Fund Committee by March 15, \_\_\_\_\_. Grants from the Endowment Fund may only be used for the purposes stated in this grant application and must enhance the mission of Poudre Wilderness Volunteers.

PLEASE COMPLETE THE FOLLOWING:

Name of Project: \_\_\_\_\_

Sponsoring Person or Committee: \_\_\_\_\_

Phone: \_\_\_\_\_ E-mail: \_\_\_\_\_

Funds Needed (Amount): \_\_\_\_\_

Funds Needed When? (Date): \_\_\_\_\_

Please attach a description of the project, including components of the project and prioritization of funding needs, if applicable.

Contact the Chair of the Endowment Fund Committee if you have any questions.

THANK YOU!

## **PWV ENDOWMENT FUND COMMITTEE**

### **DRAFT CALENDAR**

- January: Discuss goals and budget for the year, based on year-end investment statements. Decide dollar amount available for grants.
- February: Inform Board of funds available for disbursement; request grant applications.
- March: Review grant applications; decide on recommendations to Board
- April: Present recommendations to Board, which then makes final decision. Advise grant recipients of Board decision.
- May: Disburse grants.
- September: Recruit new Committee members as needed, give names to Board Chair for nomination and election at October meeting.
- October: New members elected by Board. Conduct annual appeal for donations from PWV members and friends.
- November: New members join Committee; new Committee Chair takes over. Sign new signature forms for our investment accounts. Go over policies and procedures with everyone, partly for new members' benefit.
- QUARTERLY: Financial reports are to be submitted to the Board.