

Ruritan National Foundation



POLICY MANUAL

Adopted by the National Foundation Trustees 04/26/24

ADMINISTRATIVE FEES

All accounts that have administrative fees will be collected annually as of September 30, 2010, and thereafter. (See *BOTM 06/09/2010*)

ADMINISTERED BY

The Ruritan National Foundation shall, subject to provisions outlined in the Ruritan National Bylaws, be administered by a board to be known as the Ruritan National Foundation Trustees. (See *NB*)

AGREEMENT WITH BOARD OF DIRECTORS

The Board of Directors of Ruritan National shall formulate, in detail, by written agreement between Ruritan National and the Ruritan National Foundation, guidelines for the proper administration of the Ruritan National Foundation by the trustees. Said agreement may be modified or altered from time to time by agreement between the Board of Directors of Ruritan National and the Trustees of the Ruritan National Foundation. The agreement as originally drawn, modified, or altered, shall, however, conform in every respect to the purposes of the Ruritan National Foundation as outlined in Section B, hereof. The agreement also shall provide and direct that the Ruritan National Foundation, both as to its purpose and in its operation, meet the requirements necessary for tax-exempt foundations under the Internal Revenue Code of the United States. (See *NB*)

ALLOCATION- INVESTMENT INCOME

Apply the fiscal year's investment rate of return to all endowed/contracted funds as captured in the October meeting of the RNF Trustees.

ANNUAL GIVING PROGRAM

Giving levels are Bronze Donor, \$100 to \$499; Silver Donor, \$500 to \$999; Gold Donor, \$1,000 or more. All donors will be listed in the Annual Report.

ASSET ALLOCATIONS

Asset allocations are reviewed at a minimum of April and October RNF Trustee meetings with the Investment Manager.

BIRTHDAY FUND

Birthday Fund donation awards will fall on the fiscal year of October 1 to September 30. This will permit all plaques and certificates to be given at the district convention for maximum recognition. (See *BOTM 09/09/2004*)

Upon receipt of a minimum donation equivalent to \$2.00 per member from a club, the club will be eligible to receive a Certificate of Appreciation, and those clubs contributing a donation equal to \$10.00 per member will be eligible to receive a Plaque of Appreciation. The number of full members as of the check date determines the number of members for appreciation.

A club may opt out of receiving a Certificate of Appreciation or a Plaque of Appreciation. The clubs will still be recognized at the District Conventions.

All Birthday Fund donors will be listed in the Annual Report.

BUILD YOUR DOLLARS (BY\$) PROGRAM

Participating clubs must send a club check for \$300 to the Foundation with the BY\$ Deposit Form starting in January until the deadline, which must be postmarked on or before September 1 for the club to be eligible. Ruritan National Foundation will notify the participating clubs after receiving the club check confirming the club is in the program. Clubs must complete the BY\$ Deposit form found on the Foundation web page or request one from the Ruritan National Foundation office. Each club that makes a \$300 BY\$ deposit by September 1 must then complete the BY\$ Claim Form and send the form to the Ruritan National Foundation office by email, fax, or USPS postmarked on or before June 30 of the following year. Upon receipt of the completed BY\$ Claim Form, the Foundation office will make the BY\$ scholarship check payable to the club and mail the check to the BY\$ club contact beginning in April of the program year. The BY\$ Claim Form can be found on the Foundation page of the Ruritan National website, or one can be requested from the Ruritan National Foundation office.

Up to a thirty-day extension is allowed if contacted on or prior to the June 30th deadline.

If a BY\$ scholarship is not claimed, options are (1) request a \$300 refund returned to the club, (2) carry-over for one year to the Build Your Dollars program, or (3) leave as a donation to the Ruritan National Foundation.

There is a maximum of one application and one scholarship per club. The club selects the scholarship recipient. In selecting applicants, clubs should consider financial need, character, scholarship, academic promise, and desire.

The Foundation's Build Your Dollars (BY\$) contribution is to be shared equally among program participants and is at the Trustees' discretion. The contribution from the Foundation is not to exceed either the three-year trailing average of the Foundation's total assets, less normal operating expenses, or \$200,000, whichever is greater.

The Build Your Dollars deposits from clubs will be recognized as Deposits and Recorded as Liabilities on the Foundation Books and will not be counted as funds in any fund account.

CHECKING ACCOUNT - BUSINESS AND INSURED MONEY MARKET ACCOUNT (IMMA)

Deposit all funds received into the IMMA Account. Transfer funds as necessary from the IMMA Account to the Business Checking Account to cover the Foundation's expenses. Always maintain a \$5,000 minimum daily balance in IMMA to avoid a maintenance fee. Maintain a balance in the Business Checking Account sufficient to cover any minimum balance requirements.

CONTRIBUTION REPORT

The Foundation Contribution Report is to be available to the Trustees by the tenth calendar day of the following month. (See *BOTM 04/12-13/2012*)

DONATIONS

The donor is to ensure the designation of the fund a donation goes to. Once the donation has been recorded, the only way to change the fund credited is at the donor's request.

Donations are applied to any fund or funds designated by the donor, but only the donor is credited with the donation. In other words, a check from a club may not be counted as a donation from an individual, nor can a check from an individual be counted as a donation from a club.

(See *BOTM 08/09/1990*)

The Foundation does not make donations to outside organizations.

ENDOWED (CONTRACTED) FUNDS

Endowed Funds provide a way for individuals, families, clubs, or districts (using a new district fund with new money from 2017 onward) to memorialize or honor someone with a named endowed scholarship. The Endowed Funds allow the donor who establishes the fund to select a scholarship selection committee that chooses a scholarship recipient each year. The Endowed Funds require a \$10,000 or greater balance. There are two standardized Endowed Fund (Contract Fund) templates to choose from for either a 20-year limited-term contract or a perpetual contract. The specific terms and conditions of the Endowed Funds are established by one of these two contracts between the donor and the Foundation. The check is made payable to the postsecondary institution.

FISCAL YEAR

The fiscal year of the Foundation is October 1 to September 30.

(See *BOTM 10/10/2003*)

FRIENDS OF THE FOUNDATION FUND – GUIDELINES*

*** Two standardized contracts were adopted in 2017 to replace Friends of the Foundation contracted Funds. The guidelines must remain in the Policy Manual until the last Friends of the Foundation contracted fund expires (approximately 2036).**

1. A Friends of the Ruritan National Foundation Fund (Friends) is established by an individual or club donating a minimum of \$10,000 to the Ruritan National Foundation. These funds can be donated at one time or over a period of time, and the contributions do not have to be from a Ruritan member.

2. Once a fund reaches the Friends level, the individual can select a club to solicit applications for a scholarship of 5% of the amount donated. If a club creates the Friends fund, the club will solicit the applicants. Change to contracted fees.
3. An agreement stating the terms of the Friends account will be established between the donor, the selected club, and the Ruritan National Foundation.
4. The selected club is required to submit at least two but no more than five applicants annually. No more than 50% of the applicants may be related to the original donor.
5. The application will be similar to the Double Your Dollar Application (use page 1 for name, etc.) with financial information concerning the resources of the Applicant and Estimated expenses of the applicant. (These will be taken off the regular grant application form.) Also, a student profile will be submitted.
6. A Friends fund will be eligible to receive funds for 10 years, with the Ruritan National Foundation's option to renew the agreement for two additional 5-year periods. At the end of the agreement, all funds will become unrestricted funds of the Ruritan National Foundation.
7. Once the Friends fund is established, additional contributions will increase the amount of the annual grant but the term of the agreement will not change. For example, a Friends fund is established in 2004 with a balance of \$10,000. The agreement will expire in 2014 even if the donor continues to contribute to the fund and the balance at 2014 is \$15,000.
8. The Ruritan National Foundation will access a 1% administrative fee annually for the administration of each Friends fund. This fee will be based on the original donation to the fund as well as any additional contributions to the fund.
9. Zones, Districts, or other administrative organizations are not permitted to establish Friends funds. Memorial funds that are not established by a specific club or individual are not eligible to become Friends funds.
10. If a club has established several funds and wishes to combine all funds into one Friends account it will be acceptable. If this is done, the individual funds will no longer exist and will be removed from the Ruritan National Foundation records. The Ruritan National Foundation will show one Friends account with a name to be determined at the time of the creation of the fund.
11. Friends applications must be submitted by April 1 and will be selected by the Ruritan National Foundation at the same time as regular grants are selected. Scholarships will be administered in the same way as regular grants.
12. If no applicants are submitted, the grant that would have been given that year will be used by the Ruritan National Foundation for a normal grant. It will not be carried over to the next year.
13. In case the donor wishes to change the club that selects the applicants, sending a letter to the Ruritan National Foundation stating that the club has been changed does this. It is the responsibility of the donor to inform the clubs of the change. All changes must be documented in writing.
14. Each Friends account will give only one grant regardless of the size of the fund. If additional grants are desired, a Friends account can be divided, provided each new account is at least \$10,000. All Friends requirements must be maintained.

(See BOTM-04/19/2004)

FUNDS - DISBANDED CLUBS

Any club that disbands and has a fund of less than \$1,000 will have its funds rolled over into the miscellaneous fund. (See BOTM 09/12/2003)

GARLAND GRAY RECOGNITION AWARDS (District Foundation Promotion Chair Awards)

An award will be made to the top three District Foundation Promotion Chairs for each of these three categories:

Greatest percentage of club contributions in the district.

Largest amount of money contributed by clubs in the district.

District with the greatest contribution per member.

First place in each of the three categories will receive a plaque. The second and third places in each of the three categories will receive a certificate.

INCORPORATION

Ruritan National Foundation was incorporated on March 20, 2007.

The Articles of Incorporation were revised on November 10, 2008.

INVESTMENT INCOME

Investment income is added only to the endowed (contracted) funds. BoTm 4-19-17

LAPEL PINS AND NAME BADGES

The incoming Trustee will be presented with a Foundation Trustee lapel pin and a Foundation Trustee name badge. The incoming Foundation Trustee President will be presented with a Foundation President lapel pin and a Foundation President name badge. The outgoing Foundation President will be presented with a Past Foundation President lapel pin, a Past Foundation President name badge, and an engraved award.

MEETINGS - NUMBER OF

The Trustees will meet at least twice a year to conduct the business of the National Foundation.

(See *NB & HNODC*)

MISSION STATEMENT

The Mission Statement for the Foundation shall be:

"The Ruritan National Foundation provides financial assistance to qualified individuals for educational charitable activities."

(See *BOTM 05/17/2008*)

NON-PERMANENT FUNDS

Any non-permanent fund that has not had a contribution in five years will be notified in writing that the fund will be terminated and rolled over into the miscellaneous fund.

(See *BOTM 09/12/2003*)

LIMITED-TERM ENDOWED (CONTRACTED) FUNDS

Beginning and ending dates are to be included on the limited-term endowed (contracted) funds. BoTm 4-19-17

OFFICERS AND THEIR DUTIES

PRESIDENT

- Preside at National Foundation meetings.
- Meet with the **NBOD** at the pre-convention meeting and provide a report concerning the activities of the Foundation.
- Provide a report to attendees at the Annual National Convention concerning the activities of the National Foundation.
- Work with the Executive Director of Ruritan National on the promotion of the Foundation.

VICE PRESIDENT

- Preside in the absence of the National Foundation President.
- Work with the National Foundation Treasurer in maintaining proper records.
- Assist the National Foundation President in accomplishing the purpose of the Foundation.

SECRETARY

- Keep a record of all meetings and distribute to members.
- Serve in other areas as directed by the National Foundation President
- Be responsible for the updates to the Ruritan National Foundation Policy Manual.

TREASURER

- Ensure the recording and deposit of all funds in a bank as authorized by the National Foundation Trustees.
- Shall, with the Executive Director, sign all checks, keep all securities in the designated depositories, and maintain proper records of same.
- Ensure all expenses are paid in a timely manner.

PROMOTION CHAIR

- Develop promotion and marketing communication strategies.
- Manage social media content.
- Create and publish content that promotes current programs.

ALL TRUSTEES

- Manage and maintain a trust for charitable educational activities.
- Set policies to govern the National Foundation in accordance with the Ruritan National Bylaws.
- Maintain surveillance of invested funds.
- Re-evaluate all investments periodically and re-invest where necessary.
- Conduct other business pertaining to the National Foundation and in accordance with the Ruritan National Bylaws and the agreement between Ruritan National and the Ruritan National Foundation.
- Educate District/Area Promotion Chair about existing and new Ruritan Foundation programs.
- Help with District/Area fundraisers that benefit the Ruritan Foundation.
- Promote participation in Ruritan National Foundation Programs within the Ruritan National Districts/Areas.
- Promote attendance at the Ruritan National Foundation's Fellowship Weekend each year.
- Encourage contributions to or participation at the Ruritan National's Silent and Live Auction and other events held at the Ruritan National Convention.
- Provide training at Ruritan National Leadership Training Weekend and Ruritan National Convention.
- Review, update, and establish new College Partnerships.
- Survey District/Area Foundation Chair to improve or resolve transfer of information. (BOTM 01/23/13)

EXECUTIVE DIRECTOR

- Executive Director of Ruritan National shall serve as Executive Director of the Ruritan National Foundation.
- Shall, with the Foundation Treasurer, sign all checks, keep all securities in the designated depositories, and maintain proper records of same.
- (See HNODCJ

PERMANENT FUNDS

(See BOTM 04/15/2010) A \$1,000 minimum is needed to establish a permanent fund and can be obtained through one lump sum or through multiple gifts. A permanent fund is not to be reduced to less than \$1,000. Any permanent fund completed within one year of the initial donation may receive a plaque. Names are published in the Annual Report in the reporting year in which the \$1,000 requirement is reached. Each permanent fund will always retain its identity. Permanent funds for deceased members may not be combined into other funds.

Fund levels:

\$1,000:	Permanent Fund
\$2,100:	21st Century Fund – RNF adds \$100 once the fund reaches \$2,000
\$5,000:	Cornerstone Fund – RNF adds \$500 once the fund reaches \$4,500
\$10,000:	Friends Fund
\$20,000:	Special Fund
\$50,000:	Golden 68 Fund (recognizes 50 th Anniversary in 1968)
\$100,000:	Platinum Fund
\$500,000:	Diamond Fund

PORTFOLIO VALUE

Establish a five- (5) year rolling average of the fiscal year-end portfolio value. This is to be done annually.
(See *BOTM 03/15/2007*)

RELATIONSHIP WITH THE NATIONAL BOARD OF DIRECTORS

The relationship between Ruritan National and the Ruritan National Foundation shall be governed by the Ruritan National Foundation Articles of Incorporation and the Bylaws of Ruritan National.

REPORT - FINANCIAL

The Trustees will receive a Quarterly Foundation Financial Report showing profit and loss. (*04/12-13/2012*)

RNF LEGACY SOCIETY

The purpose is to encourage members and non-members to include the Ruritan National Foundation in their estate documents. Upon request, RNF will provide suggested language for their estate documents.

BoTm 4-19-17

RURITAN NATIONAL FOUNDATION AWARENESS MONTH

Designate the month of September as Ruritan National Foundation Awareness Month. (*See BOTM 04/22/2009*)

TOM DOWNING FELLOW

Each Tom Downing Fellow can be awarded to one recipient, not multiple recipients.

Tom Downing Fellow awards can be given to members or nonmembers, individuals, or businesses.

All funds for this program are credited to the Tom Downing Fellow Fund.

Each Tom Downing Fellow award requires a \$500 donation. When the donation is made, the donor must state that it is for participation in the Tom Downing Fellow Program. The recipient will receive a plaque and a lapel pin designed in Tom Downing's likeness. Once presented, the designation as a Tom Downing Fellow is non-transferable.

All Tom Downing Fellows will be listed on the website, and all new Tom Downing Fellows presented within the fiscal year will be listed in the Annual Report for that reporting year.

(*See HNOD*)

VISION STATEMENT

The purpose of the Ruritan National Foundation is to manage and maintain a trust for the encouragement, promotion, and financing of the charitable, educational, and benevolent activities of Ruritan Clubs and of Ruritan National. (*See BOTM 11/03/1996*)