

IDEA Greater Cincinnati, Inc.

FUNDRAISING POLICY



Sec. 1. PURPOSE OF POLICY.

The Board of Directors and all “public officials and employees” as defined by Ohio law shall endeavor, in accordance with their fiduciary duty, to honor any donor restrictions (that can be accepted), the use and obligation of all funds, including non-public donations and grants, for the purchase of goods and services that have a direct benefit to students, are in the best interest of students and that facilitate the implementation of IDEA’s charter program. Through this policy, the Board of Directors (“Board”) of IDEA Greater Cincinnati, Inc. (“IDEA Cincinnati”) shall address applicable legal requirements, including:

- (a) Ohio Community Schools Act Chapter 3314;
- (b) Ohio Nonprofit Corporations Act Chapter 1702;
- (c) Ohio Administrative Code; and
- (d) *Government Auditing Standards*.

Sec. 2. APPLICABILITY OF POLICY.

This policy pertains to the receipt, safeguarding and use of funds received by IDEA Cincinnati personnel. This policy supplements the Board’s Policy for Gift Acceptance.

Sec. 3. AUTHORITY OVER FISCAL MATTERS.

Sec. 3.1. In accordance with state law, the Board has primary and ultimate authority over fiscal matters. If a matter or decision-making process is not addressed in this or other duly adopted policies of the Board, authority rests with the Board. In the event of a conflict between this policy and any other Board policy, such conflict shall be brought to the Board for resolution. Refer to the Board’s Authority Over Fiscal Matters Policy (the “Controlling Policy”) for requirements applicable to this policy.

Sec. 3.2. The Delegates (as defined in Sec. 3(b) of the Controlling Policy) shall not engage in any business arrangement or transaction with an individual that is an officer, as defined in Sec. 5 of the Controlling Policy, and any conflicted, interested or related party³, as defined in other Board policy or applicable law. IDEA Cincinnati (and its officers) may not enter into a business arrangement or conduct a transaction in such a manner so as to circumvent this requirement.

Sec. 4. CONTRIBUTIONS RECEIVED.

Sec. 4.1. Cash Defined.

For purposes of this policy, cash means coin, currency, money orders, cashier’s checks, personal checks, and business checks.

³ R.C. Chapter 102; R.C. Section 2921.42

Sec. 4.2. In-Kind Contributions.

In-kind contributions are recognized and recorded at estimated fair market value on the date of the donation. The donor shall determine the estimated fair market value of the donated item or service.

Sec. 4.3. Contributions to the IDEA Cincinnati Child Nutrition Program.

The IDEA Cincinnati Child Nutrition Program (CNP) staff shall collect and deposit all monies received from students, or their parents or guardians, for meals and snacks. CNP staff shall also create and maintain records of all such payments to provide parents (or guardians) and students timely, accurate account balances.

Sec. 4.4. Contributions Received by Campus.

Campuses are only authorized to receive cash and credit card contributions from donors.

Sec. 4.5. Contributions Received From Vendors.

IDEA Cincinnati officers, as defined in Sec. 5 of the Controlling Policy, and employees may not receive contributions directly from any vendor. In the event that a vendor makes a cash or in-kind contribution to an officer or employee, the officer or employee shall route the contribution to the Delegates or designee. The Delegates or designee shall maintain proper control of the contribution. See Board Policy relating to Gift Acceptance for additional requirements.

Sec. 4.6. Special Events.

IDEA Cincinnati may organize special events for the purpose of raising funds from donors. IDEA Cincinnati officers, as defined in Sec. 5 of the Controlling Policy, must ensure that special events yield fundraising results that exceed the cost of the event by at least fifty percent (50%).

Sec. 4.7. Use of Contributions Received.

Sec. 4.7.1. An unrestricted contribution is a contribution from a donor who did not require that any condition(s) be met to govern the use of the contribution. IDEA Cincinnati may use an unrestricted contribution for any lawful purpose.

Sec. 4.7.2. A restricted contribution is a contribution from a donor who stipulated, in writing, that a specific condition(s) be met to govern the use of the contribution. IDEA Cincinnati may only use a restricted contribution as stipulated by the donor. To ensure compliance with the donor's stipulation(s), the Delegates or designee shall obtain a written agreement from the donor setting forth the specific condition(s) that must be met to enable IDEA Cincinnati to use the contribution received.

Sec. 4.8. Reports to Donors.

The Delegates shall provide a report to donors disclosing the uses of their contributions.

Sec. 5. TAX-EXEMPT LETTER.

See Board Policy relating to Gift Acceptance, Sec. 10.

Sec. 5.1. Upon Request from Donor.

IDEA Cincinnati shall issue a tax-exempt letter to a donor upon request or otherwise where required by law.

Sec. 5.2. Written Acknowledgement of Certain Donations.⁴

Under the Internal Revenue Code and Treasury Regulations, a donor is prohibited from claiming a tax deduction for any single contribution of \$250 or more unless the donor receives a contemporaneous, written acknowledgement of the contribution from IDEA. To facilitate the donor's compliance with applicable law, IDEA Cincinnati may provide a donor contributing \$250 or more with a written annual statement that includes, on IDEA Cincinnati letterhead:

- (a) The amount of the cash contribution(s) received from the donor during the calendar year;
- (b) A description (but not the value) of the non-cash contribution(s), if any; and
- (c) A statement that no goods or services were provided by IDEA Cincinnati in return for the contribution, if applicable; or
- (d) A description and good faith estimate of the value of goods or services that IDEA Cincinnati provided in return for the contribution, if applicable.

Sec. 5.3. Form of Written Acknowledgement.

IDEA Cincinnati may provide the written acknowledgement via electronic mail.

Sec. 5.4. Contemporaneous Defined.⁵

For purposes of the policy espoused in Sec. 5.2, IDEA Cincinnati must provide the donor with a written acknowledgement by January 31 of the calendar year following the receipt of the donor's contribution.

Sec. 6. RECORDS.

The Delegates or designee shall create, obtain, and maintain adequate and sufficient records to support the receipt of contributions and fundraising proceeds, as required by applicable law, rule and policy.

Sec. 7. TRAINING AND UPDATES.⁶

The Delegates or designee shall properly train or ensure training is provided to IDEA Cincinnati officers and employees on the requirements of this policy and any administrative procedures adopted to implement this policy. Additionally, the Delegates or designee shall keep IDEA Cincinnati officers and employees informed of any changes to this policy and related requirements.

⁴ IRS Publication 1771

⁵ IRS Publication 1771

⁶ 2 CFR § 200.303(a), U.S. Government Accountability Office *Standards for Internal Control in the Federal Government*, 4.02 and 4.05.

Sec. 8. ADMINISTRATIVE PROCEDURES.

The Delegates shall formally adopt administrative procedures as reasonably necessary to properly administer this policy and to adhere to applicable law and rule. In doing so, the Delegates shall not adopt, and are prohibited from adopting, an administrative procedure that conflicts with applicable law or this policy. Accordingly, the Delegates shall confer with the Board or legal counsel before deviating from the requirements set forth in this policy. In the event that a deviation from this policy becomes necessary, the Delegates shall either recommend an amendment to this policy or the Board's approval of a specific deviation, including the purpose, scope and duration of the requested deviation.

Sec. 9. DATE ADOPTED AND EFFECTIVE.

As set forth in the pertinent minutes to the meeting of the Board, the Board adopted this policy on _____.

Sec. 10. RETENTION.

This policy shall be retained until superseded, expired, or discontinued and for five (5) years thereafter.