

**FERN RIDGE LIBRARY
FOUNDATION**

**BOARD MEMBER
HANDBOOK**

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**FERN RIDGE LIBRARY
FOUNDATION**

**ORGANIZATION
OVERVIEW**

Updated May 16, 2019

FERN RIDGE LIBRARY FOUNDATION

ORGANIZATION OVERVIEW

Thank you for your interest in the Fern Ridge Library Foundation. This overview will give you insight into the activities and operations of the Foundation. Please feel free to ask questions.

Board meetings: Board members receive the agenda and notification of meetings in advance. Meetings are held at the Fern Ridge Library on the third Thursdays from 6:30-8:30 p.m. Minutes are recorded and distributed for each meeting.

Brief Summary of Organization: The Fern Ridge Library Foundation raises funds to benefit the Fern Ridge Library, a jewel in our community, located in the western region of Lane County, Oregon. The Fern Ridge Library serves about 13,000 people in Veneta, Elmira, Noti, Walton and other surrounding areas. Our geographic region covers about 181 square miles.

Since 1995, the Fern Ridge Library Foundation has raised funds from the private sector to support the Fern Ridge Library. We develop annual project goals in consultation with the Library Board and Library Director that meets critical needs of the library. The Foundation raises funds with a grassroots approach by soliciting local donors and businesses by direct mail and through personal contact by board members, hosts an annual event with local authors, and writes grants to charitable foundations. Our success makes it possible for the library to make improvements to the facility and materials without using tax dollars.

A short summary of successful projects follows:

COMPLETED FUNDRAISING PROJECTS

2017-18: New furniture for children's area to spark creative play and literacy
2015-17: 50th Anniversary project: Replacement of exterior sign and reader board
2015-17: 50th Anniversary project: New books, DVDs, and large print books at Senior Center and Fern Ridge Library
2015: Ten additional computer workstations
2015: Adaptive computer workstation for patrons with disabilities
2014: Replacement of carpet in Children Area
2013: Purchase of new Book Drop with DVD and book material slots
2013: Digital devices (tablets, readers) for circulation for youth and adult patrons
2012: Internet router and infrastructure improvements for wireless service
2007-10: Renovate '08 capital improvement project that renovated older wing of library, replaced HVAC system and windows, and improved energy efficiency.

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In addition to ongoing fundraising efforts, the Foundation has initiated several other important projects to build awareness and support of the library and its needs. These include the following:

1. The Fern Ridge Library Foundation Endowment Fund receives memorial gifts, outright donations, and bequests to support the library. The Oregon Community Foundation manages the fund.
2. The Foundation prepares an annual newsletter to inform the donors and community members about the growth of the library, its services, and the groups and people that support the library.
3. The annual special event, Writers & Wine, is organized by the Foundation to feature readings by regional authors of their newest works and to bring donors and interested business leaders together to learn about the library and its needs. It is a fundraising event with a silent auction, event and table sponsors, and ticket sales with proceeds to support the annual fundraising goal.
4. In 2014, the Foundation initiated a Community Partner program to encourage business investment and to recognize area businesses, organizations, and foundations as donors. Benefits include certificates of appreciation, thank you advertising in the local paper, and recognition inside the Fern Ridge Library.

Role of Board members: In addition to the responsibilities outlined in the Bylaws and Board Member handbook, board members are encouraged to contribute their talents and abilities to any of the Foundation projects. All members are asked to advocate for the library, participate in events, and support fundraising efforts by making annual and special gifts to the Foundation and inviting others to contribute.

Finances: The Foundation budget year is June 1-May 31 and an annual budget is prepared by our treasurer and CPA and approved by the Board of Directors. The organization has modest means and operates in the black, has no debt, and makes regular grants to the Library for improvement projects. The Foundation also seeks to build the Fern Ridge Library Foundation Endowment Fund. Financial reports are presented at each board meeting.

Operations and Fundraising: Several part-time consultants support the Foundation efforts. Operations such as gift processing, thank you letters, ticket sales, DonorSnap records, and bookkeeping support is provided by Pierrette Paul, executive assistant. Fundraising and grant writing is done by Karen Johnson in addition she supports the Writers and Wine event, website content, newsletter writing, editing, production and distribution, agenda preparation, database management, and Community Partner member correspondence. Meli Hull takes minutes at the meetings and circulates final copies to members.

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Website: The Foundation website contains additional information on fundraising, projects, Community Partners, and our online giving site. Check it out at www.frlfoundation.org.

Library Family: We often refer to the “library family” as a way to recognize the myriad people and organizations that collaborate to support our thriving Fern Ridge Library. The Library Board is comprised of elected members from the community who oversee the library director, budget, and policies. The Foundation is a tax-exempt organization that raises funds from individuals, businesses, foundations and organizations for the benefit of the Library. The Friends of the Library is a nonprofit organization that provides organizes monthly adult programs, raises funds through membership and book sales to support library programming and purchases, and raises awareness of library events. The library director and staff members are essential to the successful operation of the library and its service to patrons. Additional volunteers who assist with book processing, repairs, shelf inventory and other tasks. Volunteers from all branches are honored each year at an annual potluck event.

Thank you!

FERN RIDGE LIBRARY FOUNDATION

BYLAWS

Adopted May 24, 1995
Amended August 8, 1997
Amended May 4, 1999
Amended June 6, 2005
Amended February 23, 2009
Amended January 16, 2014
Amended May 16, 2019

FERN RIDGE LIBRARY FOUNDATION

BYLAWS

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**FERN RIDGE LIBRARY FOUNDATION
BYLAWS**

Adopted May 24, 1995
Amended August 8, 1997
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ARTICLE I: INTENT/PURPOSE

1 These Bylaws are intended to comply with ORS 65, and, in the event any provision is in
2 violation of any such statute, the provision that violates Oregon law shall be severed from these
3 Bylaws and all remaining provisions shall continue in full force and effect. All references to
4 statutes are intended to be to those statutes in effect on the date of the adoption of these Bylaws,
5 unless the effect of amendment is to negate, reverse, or materially change reasonable intent, each
6 statute is to be construed as if attached and fully incorporated in these Bylaws, and shall include
7 any and all amendments thereto. In the event a statute is repealed or invalidated, then the same
8 provision shall be severed without affecting the remainder of these Bylaws.

9 Fern Ridge Library Foundation (Foundation) qualified as a tax-exempt organization
10 under IRS § 501 (c) (3) and will maintain such tax exempt status throughout its operation.

11 **The mission of the Fern Ridge Library Foundation is to serve the community through**
12 **advocacy and support of the Fern Ridge Library District.**

ARTICLE II: REGISTERED AGENT AND OFFICE

1 The Foundation shall continuously maintain in the state of Oregon a registered agent who
2 shall be an individual who resides in Oregon, or a domestic business, or nonprofit corporation
3 with an office in Oregon within the boundaries of the Library District.

4 The registered office of the Foundation shall be the residence or office address of the
5 registered agent. The registered agent or office may be changed from time to time by the Board
6 of Directors upon compliance with the requirements of the Oregon Nonprofit Corporation Act.

ARTICLE III: BOARD OF DIRECTORS

7 **Section 1. General Powers.** All corporate powers shall be exercised by and all business
8 of the Foundation shall be managed by or under the direction and authority of the Board of
9 Directors.

10 **Section 2. Number.** The number of the directors of the foundation shall be set from time
11 to time by the board of directors.

12 **Section 3. Ex Officio Directors.** The number of directors shall strive to include three ex
13 officio directors denominated as follows: 1) the District Library Director; 2) a representative of
14 the District Library Board selected by that board for a one-year term, which may be renewed; 3)
15 a representative of the Friends of the Fern Ridge Library selected by the officers of that
16 organization for a one-year term, which may be renewed. Ex officio directors may vote on any
17 matter and may be elected to the offices of secretary and treasurer which are one year positions
18 in the corporation, and may participate fully in any discussion of any matter, absent a conflict of
19 interest, and may be appointed to and actively serve on any committee established by the Board
20 of Directors.

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1 **Section 4. Election of Directors.** Elected directors shall be nominated by existing
2 directors and elected by a majority of the then current Board of Directors. Elected directors are
3 nominated, and retain office, for their ability and willingness to annually support the Foundation
4 financially and to identify and encourage non-directors with similar ability and willingness to do
5 the same.

6 **Section 5. Term of Elected Directors.** The term of each non ex officio director shall be
7 for a period of no less than one year, which may be renewed.

8 **Section 6. Removal of Directors.** Except as provided herein, any elected director may be
9 removed from office with cause at any meeting of the Board of Directors at which there is a
10 quorum by a vote of two-thirds of the remaining directors in attendance, provided that prior
11 notice that removal of a director will be considered at the meeting is given to directors in the
12 manner required for a special meeting.

13 **Section 7. Vacancies.** If a vacancy in a seat held by an elected director arises on the
14 Board of Directors, whether by resignation, removal or expansion of the Board, such vacancy
15 may be filled by special election of the directors prior to the next annual meeting. The newly
16 elected director shall complete such director's term and may be re-elected at the annual meeting.

17 **Section 8. Compensation.** Directors shall not be entitled to regular compensation. The
18 Foundation may reimburse directors for legitimate expenses incurred for the benefit of the
19 Foundation, or for business of the Foundation, provided such expenditure has been approved in
20 advance by the Board of Directors.

21 **Section 9. Regular Meetings.** A regular meeting of the Board of Directors shall be held
22 not less than once every three months at such time and place as the directors shall determine.

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1 Except as may be required under the Oregon Nonprofit Corporation Act, or these Bylaws, no
2 other notice of the date, time or place of the regular meeting shall be required.

3 **Section 10. Quorum.** A majority of the voting members of the Board of Directors then in
4 office immediately before commencement of the meeting shall constitute a quorum for the
5 transaction of business at any meeting of the Board of Directors. A director shall be deemed
6 present at any meeting either in person or by electronic conference.

7 **10.1 Majority.** Unless expressly provided otherwise in these Bylaws or the
8 Oregon Nonprofit Corporation Act or other law or directive governing the corporation, the act of
9 a majority of the directors present at a meeting at which there is a quorum present shall be the act
10 of the Board of Directors.

11 **10.2 Board Action Permitted by Electronic Vote.** Board action may be taken by
12 electronic mail vote of a quorum of members. Action will be recorded in the minutes of the next
13 board meeting.

14 **10.3 Action Without a Meeting.** Any action required or permitted to be taken at
15 a meeting of directors may be taken without a meeting if a written consent setting forth the
16 action so taken is signed by all directors then in office. Such consent shall have the same force
17 and effect as a unanimous vote of the directors.

18 **Section 11. Annual Meetings.** The Foundation shall hold an annual meeting of the
19 Board of Directors between September 1 and December 31 of each year, or at such other time as
20 may be determined by the Board of Directors. The Board of Directors shall elect officers and
21 directors whose terms have expired at such annual meeting, and shall conduct such other
22 business as comes before the Board.

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1 **11.1 Notice.** Each director shall receive electronic correspondence (e-mail) notice
2 of the annual meeting.

3 **Section 12. Special Meetings.** Any member of the Board of Directors shall be authorized
4 to call a special meeting of the Board of Directors upon giving written or electronic notice to
5 each of the directors not less than 15 days prior to the time and place scheduled for such meeting.
6 Such notice shall specifically describe the time and place for such meeting and the agenda and
7 business items to be brought before the Board at such meeting. No other business may be
8 brought before the Board, other than as specifically described in the written notice of the special
9 meeting. The attendance of a director at a special meeting shall constitute a waiver of notice of
10 such meeting, except where a director attends a meeting for the express purpose of objecting to
11 the transaction of any business because the meeting is not lawfully called or convened.

12 **12.1 Waiver of Notice.** A special meeting of the Board of Directors may be had
13 at any time and from time to time, and any business may be conducted at such meeting provided
14 that all then current members of the Board of Directors are present at such meeting and
15 acknowledge and consent to the business brought before the meeting.

ARTICLE IV: OFFICERS

16 **Section 1. Designation.** The officers of the Foundation shall be the President, Secretary,
17 and Treasurer. The Board shall elect such other officers and Vice-Presidents as may be necessary
18 to conduct the business of the Foundation as determined by a majority of the Board of Directors.
19 Each officer shall serve a term of one year, or until their successor is elected and duly qualified.

1 **Section 2. Duties of Officers.**

2 **2.1 President.** The President shall be the principal executive officer of the
3 Foundation and, subject to control by the Board of Directors, shall supervise all the business and
4 affairs of the Directors and, in general, shall perform all duties incident to the office of President,
5 and such other duties as may be prescribed by the Board of Directors. The President may sign
6 with the Secretary or any other proper officer of the Foundation authorized by the Board of
7 Directors, any contracts or other instruments which the Board of Directors has authorized to be
8 executed, except in cases where the signing and execution thereof shall be expressly delegated or
9 agent of the Foundation, or shall be required by law to be otherwise signed or executed.

10 **2.2 Secretary.** The Secretary shall keep or cause to be kept at the principle office,
11 or at such other place as the Board of Directors may order, a book of minutes of all meetings of
12 directors, showing the time and place of the meeting and if it was regular or special, and if
13 special, how authorized, the notice given, the names of those present, and the proceedings of that
14 meeting. The Secretary shall, in general, perform all duties incident to the office of Secretary and
15 such other duties as from time to time may be assigned to the Secretary by the President or the
16 Board of Directors.

17 **2.3 Treasurer.** The Treasurer shall be responsible for the funds of the
18 Foundation, shall pay the amount only on the checks of the Foundation signed in the manner
19 authorized by the Board of Directors, shall deposit and withdraw or cause to be deposited and
20 withdrawn, such funds in such depositories as may be authorized by the Board of Directors, and
21 shall keep or cause to be kept full and accurate receipts and disbursements in books maintained
22 at the Foundation's principal office, or at such other place as the Board of Directors may direct.
23 The Treasurer shall, in general, perform all duties incident to the office of Treasurer, and such

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1 other duties as from time to time may be assigned to the Treasurer by the President or the Board
2 of Directors.

3 **Section 3. Removal.** Any officer may be removed, with or without cause, by affirmative
4 vote of two-thirds of the directors at any meeting at which there is a quorum, provided that prior
5 notice that removal will be considered at the meeting has been given to the Board of Directors in
6 the manner required by special meetings. Any directors removed in accordance with these
7 Bylaws who is occupying any other office, shall be deemed to have been removed from such
8 office.

9 **Section 4. Resignation.** Any officer may resign at any time by giving written notice to the
10 President or Secretary of such resignation. Any such resignation shall take effect at the time
11 specified in such notice or two days after the postmark of United States Mail, first class postage
12 prepaid and correctly addressed, whichever is later.

13 **Section 5. Vacancies.** If the office of the President becomes vacant for any reason at any
14 time, the Board shall immediately elect a successor or elect an interim President for the remainder
15 of the term. If any other office becomes vacant for any reason at any time, the vacancy shall be
16 filled by the Board of Directors for the unexpired portion of the term.

ARTICLE V: CONTRACTS, LOANS, CHECKS, AND DEPOSITS

17 **Section 1. Contracts.** Except as otherwise provided in these Bylaws, the Board of
18 Directors may authorize any officer or agent of the Foundation to enter into any contract or execute
19 any instrument in the name of and on behalf of the Foundation. Such authority may be general or
20 confined to specific instances. Unless so authorized by the Board of Directors and unless inherent
21 in the authority vested in the office under the provisions of these Bylaws, no officer, agent or

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1 employee of the Foundation shall have any power or authority to bind the Foundation by a contract
2 or engagement, or to pledge its credit, or to render it liable for any purpose or for any amount.

3 **Section 2. Loans.** No loans shall be contracted on behalf of the Foundation, and no
4 evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Board
5 of Directors. Such authority may be general or confined to specific instances.

6 **Section 3. Checks, Drafts, Etc.** All checks, drafts or other orders for the payment of
7 money, notes, or other debt issued in the name of the Foundation shall be signed by such officer
8 or officer's agent or agents of the Foundation, and in such manner as shall from time to time be
9 determined by resolution of the Board of Directors.

10 **Section 4. Deposits.** All funds of the Foundation not otherwise employed, shall be
11 deposited from time to time to the credit of the Foundation in such banks, trust companies, other
12 depositories, or brokerage firms as the Board of Directors may select. Nothing contained herein
13 shall restrict the Board of Directors from making such investments and deposits with stock
14 brokerage companies as the Board of Directors may deem advisable from time to time.

15 **Section 5. Prohibited Loans.** The Foundation shall not lend money to or guarantee the
16 obligations of any director or officer or employee of the Foundation.

ARTICLE VI: COMMITTEES

17 **Section 1. Executive Committee.** The Board of Directors may elect an Executive
18 Committee. The Executive Committee shall have the power to make on-going decisions between
19 Board meetings and shall have the power to make financial and budgetary decisions.

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1 **Section 2. Other Committees.** The Board of Directors may establish such other
2 committees as it deems necessary and desirable. Such committees may exercise functions of the
3 Board of Directors or may be advisory committees.

4 **Section 3. Composition of Committees Exercising Board Functions.** Any committee
5 that exercises any function of the Board of Directors shall be composed of two or more Board
6 members, appointed by the President of the Foundation.

7 **Section 4. Quorum and Action.** A quorum at a committee meeting exercising Board
8 functions shall be a majority of all committee members in office immediately before the meeting
9 begins. If a quorum is present, action can be taken by an affirmative vote of a majority of
10 directors present.

11 **Section 5. Limitation on the Powers of Committees.** No committee may approve
12 dissolution, merger, or the sale, pledge, or transfer of all or substantially all of the corporation's
13 assets; may elect, appoint, or remove directors or fill vacancies on the Board or on any of its
14 committees; nor may adopt, amend or repeal the Articles Bylaws, or any resolution by the Board
15 of Directors.

ARTICLES VII: INDEMNIFICATION OF DIRECTORS AND OFFICERS

16 This Foundation will indemnify its officers and directors to the fullest extent allowed by
17 Oregon law.

ARTICLE VIII: AMENDMENT OF BYLAWS

18 These Bylaws may be amended or repealed, and new Bylaws adopted, by the Board of
19 Directors by an affirmative vote of two-thirds of the directors present, if a quorum is present.
20 Prior to the adoption of the amendment, each Board member shall be given at least two days'

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- 1 notice of the date, time and place of the meeting at which the proposed amendment is to be
- 2 considered, and the notice shall state that one of the purposes of the meeting is to consider a
- 3 proposed amendment to the Bylaws and shall contain a copy of the proposed amendment.

**FERN RIDGE LIBRARY
FOUNDATION**

**FOUNDATION 2019
STRATEGIC PLAN**

Approved March 21, 2019

FERN RIDGE LIBRARY FOUNDATION

FOUNDATION 2019 STRATEGIC PLAN

	LEAD PERSON		TARGET DATE
GOAL #1		Increase financial support <i>The Foundation raises charitable donations from individuals, businesses, and foundations that enhance library facilities, services, and collections, and provide educational opportunities for the Fern Ridge community.</i>	
1.1	OBJECTIVES	Annual Goal Setting with Library Board & Library Director	
1.2		Conduct Annual Campaign & Business –Community Partners-Campaign	
1.3		Continue Endowment Special Gifts Campaign	
1.4		Research and write grants for library needs	
1.5		Host special literary event fundraiser “Writers and Wine”	
1.6		Develop stewardship plans for donors on Assigned Lists	
	TACTICS		
1.a	Colin	Identify next year fundraising goal/needs of the Fern Ridge Library with library staff, Friends, and board.	Spring 2019
1.b	All	Develop event plan for Writers & Wine, secure sponsorships; arrange catering and farm donations; invite authors, send invitations and set up ticket sale systems, sell tables, seek donations for silent auction	April-October 2019
1.c	Karen	Plan and prepare annual campaign solicitation to support Foundation project for library needs	Oct/Nov 2019
1.d	Pat/Karen/Bill	Update contacts, identify new businesses, update current business list for Community Partner Program	Ongoing
1.e	Karen, All	Send letter to donors of higher levels to inform about endowment fund options	July 2019
1.f	David/All	Identify donors and send special gift letter to select individuals for endowment fund donations	July 2019
1.g	Karen	Prepare endowment marketing materials, including ad for Fern Ridge Review, update brochure and website pages as needed. Coordinate display of materials in Library with staff and board volunteers.	May/June 2019

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1.h	Karen	Identify and write grants that focus on grants based on Library objectives/needs	Ongoing
1.i	All	Maintain individual assignment lists for board members; develop stewardship plans for donors; build skills for board members	Ongoing
1.j	All	Identify prospective donors; ask existing donors and guests at Writers and Wine to recommend others; consider hosting gatherings to meet new prospects	Ongoing

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	LEAD PERSON		TARGET DATE
GOAL #2		Build Capacity of the Fern Ridge Library Foundation. <i>The Foundation's vision and mission asks us to continue to build our skills, expand capabilities, and improve operations in order to fulfill our role in support of the library.</i>	
2.1	OBJECTIVES	Continue excellent financial management practices	
2.2		Recruit new members and provide orientation	
2.3		Review all board policies, update board packets	
2.4		Maintain and improve database records and reports with Donor Snap software	
2.5		Increase visibility of Foundation; prepare newsletter, utilize website and refresh content	
	TACTICS		
2.a	Pat, Bridget	Prepare new board packets with policies, bylaws, etc.	March 2019
2.b	Pat, Bridget	Review Bylaws annually, update as needed; develop new policies as needed.	April 2019
2.c	Karen, Pierrette	Maintain data in Donor Snap donor software and assigned lists in the donor software	Ongoing
2.d	Dan	Prepare and review operating budget	May 2019
2.e	All	Hold annual strategic planning meeting for Foundation and review mission/goals and objectives Foundation	Jan-Feb 2019
2.f	All	Recruit 1-2 new board members each year	Ongoing
2.g	David/All	Develop orientation process for new members; hold overview and orientation for new members, establish a mentorship system that pairs experienced board members with new members, prepare updated handbook, and set training topics.	April 2019
2.h	Karen	Increase visibility of FRLF endowment fund with donor recognition plaque for gifts of \$1,000 and above to the Endowment Fund	June 2019

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2.i	Karen/All	Determine opportunities for board training (David Atkins workshop); Endowment and Oregon Community Foundation services (Sara Brandt); estate planning tools, donor research and prospect identification tools; stewardship planning	Ongoing
2.j	Colin	Increase recognition and awareness of the Foundation within the Library and with patrons with signage, displays, publicity, and plasma screen announcements	Ongoing
2.k	All	Conduct volunteer recruitment for Writers & Wine event, describe tasks for volunteers for Food and Auction committees	April-June 2019
2.l	All	Board members encouraged to participate in individual trainings and share results	Ongoing
2.m	Pierrette, Karen, Les	Improve efficiency and data collection for Writers & Wine guest check in and check out procedures; develop method for checking in those with prepaid tickets and handling at the door purchases. Prepare for auction purchases at close of Silent Auction. Consider Mobile HotSpot to aid with online transactions. (Cindy)	September - October 2019
2.n	David	Hold Annual meeting to renew/elect Board of Director members and officers as instructed by Bylaws	November 2019

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	LEAD PERSON		TARGET DATE
GOAL #3		Sustain Community Collaboration and Outreach <i>The Fern Ridge Library Foundation seeks to be an active, visible participant in the local community and serve as advocate for the library within the region.</i>	
3.1	OBJECTIVES	Expand outreach, collaboration, and networking by FRLF board on behalf of the library	
3.2		Prepare annual newsletter for web and print distribution; increase electronic communication	
3.3		Invite community speakers to FRLF board meetings	
3.4		Publicize “Writers & Wine” to increase community involvement	
	TACTICS		
3.a	Karen, Pierrette	Collect email addresses; add to Donor Snap database	Ongoing
3.b	Pat, Karen	Continue to submit stories in Fern Ridge Review about the activities of the FRL	Ongoing
3.c	All	Write stories; collect photos for newsletter and website, edit and design; print and mail to selected residents and Foundation mailing list. Refresh web content. Post PDF online.	June-September 2019
3.d	Michael/All	Invite speakers from community organizations to share information, goals, and potential partnerships with Foundation	Ongoing
3.e	All	Publicize Writers and Wine to library patrons and to the Fern Ridge community to attract new donors and volunteers	April-October 2019
3.f	Bridget/Friends	Set up tabling at community events for Friends, Foundation, Library (Farmer’s Market, Harvest Fair, etc)	Quarterly
3.g.	Karen/Bridget	Increase electronic communications such as use of plasma screen at library; website and email announcements about upcoming events and Foundation news. Consider using Constant Contact and DonorSnap for electronic news to all email addresses in database.	Ongoing

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	LEAD PERSON		TARGET DATE
GOAL #4		Maintain Relationships among the Fern Ridge Library Family <i>The Foundation recognizes the library family, supports the role of the Library Board, Friends of the Library, volunteers, and staff members and works with all groups on behalf of the library.</i>	
4.1	OBJECTIVES	Strengthen working relationships and communication with all library groups and staff members	
4.2		Collaborate with Library Board and Director to focus on goals and needs of the library	
4.3		Encourage volunteer appreciation and recognition activities with library staff	
	TACTICS		
4.a	Dan, Karen	Meet with Library board to update and share information about Foundation progress, discuss goals	January 2019
4.b	All	Participate in other library sponsored events and activities: Volunteer Appreciation, Friends events, etc.	Ongoing
4.c	Becky, Pat	Continue to have a representative from Library Board and Friends serve on Foundation board	Ongoing
4.d	Colin	Provide library statistical summary to Foundation board; update reports at meetings and for newsletter	September 2019
4.e	Les, Bridget, Pat	Participate in joint meeting with Friends at least annually or quarterly to explore joint activities and share updates	July 2019
4.f.	All	Increase understanding about Library family with new graphic diagram, web content, and language to be used to clarify purpose and role of each support organization to patrons and sponsors. Encourage volunteer opportunities for all groups. Focus on providing this information: “How do I get involved in the library?” or “How you can be a part of the library family” Distribute information to the Chamber of Commerce.	May-June 2019

FERN RIDGE LIBRARY FOUNDATION

FOUNDATION 2019 STRATEGIC PLAN

4.g.	Pat, Karen, Colin, Others TBA	Communicate with Library staff to keep them informed of Foundation projects and clarify questions that arise. Topics to include Adopt a Shelf (with map), Fall campaign goal, Writers & Wine event, and Volunteer opportunities. Staff meets 2x per month, bagels and donuts appreciated!	Ongoing
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**FERN RIDGE LIBRARY
FOUNDATION**

ROSTER

Updated June 21, 2019

FERN RIDGE LIBRARY FOUNDATION

ROSTER

BOARD OF DIRECTORS

President	David Floyd, MD 89477 Sheffler Rd Elmira, OR 9437	541-935-3505 doctafloyd@gmail.com
Treasurer	Dan Caplis 89586 Demming Rd Elmira, OR 97437	541-935-8332 Dan.caplis@yahoo.com
Secretary	Patricia Baron 87967 9 th St Veneta, OR 97487	541-935-0303 Patricia.baron3@gmail.com
Director	Bill DeChent PO Box 459 Elmira, OR 97437	541-935-1554 billdechent@gmail.com
Director	Les Benoy 25800 Perkins Rd Veneta, OR 97487	541-935-8618 ldbjts@gmail.com
Director	Bridget Piccioni 25322 Perkins Rd Veneta, OR 97487	541-972-9050 Bridget.piccioni@gmail.com
Director	Mary Jo Simone 93175 Smyth Rd Junction City, OR 97448	541-915-8105 541-998-8512 Msimone624@gmail.com

FERN RIDGE LIBRARY FOUNDATION

ROSTER

Ex-Officio Members

Executive Director Fern Ridge Library	Colin Rea PO Box 397 Veneta, OR 97487	541-935-7512 crea@fernridgelibrary.org
Representing Library Board	Becky Lemler 89584 Demming Rd Elmira, OR 87437	541-935-8332 Dan.caplis@yahoo.com
Representing Friends	Patricia Baron 87967 9 th St Veneta, OR 97487	541-935-0303 Patricia.baron3@gmail.com

Consultants

Campaign Director	Karen Johnson 32591 Fox Hollow Rd Eugene, OR 97405	Cell: 541-914-4592 Work: 541-346-3603 karenjj@uoregon.edu
Executive Assistant	Pierrette Paul, Alternative Business Solutions 1400 Candlelight Dr #247 Eugene, OR 97402	541-636-4779 books@absveneta.com
Executive Assistant	Meli Hull 1395 Jefferson St #1 Eugene, OR 97402	541-556-9028 meli@fernridgelibrary.com

**FERN RIDGE LIBRARY
FOUNDATION**

**BUDGET
FY 2019-2020**

Approved May 16, 2019

FERN RIDGE LIBRARY FOUNDATION

BUDGET FISCAL YEAR 2019-2020

REVENUE AND BEGINNING BALANCE		Fiscal year June 1, 2019 – May 31, 2020
Description	Details	Budget
Beginning Balance	Checking and money market accounts	53,000 Estimate
OCF Distributions	July & January	6,500
Interest Income	Bank accounts only	100
Donations – Unrestricted	Unrestricted	15,000
Donations – Restricted	Restricted	1,000
Donations – Endowment	Restricted	5,000
Grants	Restricted	10,000
Event Admissions & Sponsorship	Writers and Wine Event	5,000
Total Revenue		42,600
Total Revenue and Beginning Balance		95,600
EXPENDITURES		
Description	Details	Budget
Consulting Expenses	K. Johnson	6,000
Administrative Assistants	P. Paul, Cyndy, Meli Hull	3,000
Accounting & Bookkeeping	P. Paul	750
OCF Fees & Bank Charges	OCF and Bank	1,200
Software, Website, Tech Support	Software, Website, Tech Support	1,500
Filing Fees	Form CT-12, other	150
Event Costs, Cultivation	Writers and Wine Event, other	3,000
Office Supplies, Printing, Postage	Printing, Paper, Postage, etc.	5,000
Marketing for Endowment Fund		500
Library Projects/ Bldg & Equip	Capital Contributions to Library	20,000
Transfers to Endowment Fund		5,000
Contingency	Unexpected Expenses	500
Total Expenditures		46,600
ESTIMATED CARRYFORWARD		49,000
NOTE: Beginning balance does not include the Endowment Fund at OCF. This budget was approved at the 5-16-2019 Board meeting.		

**FERN RIDGE LIBRARY
FOUNDATION**

**POSITION
DESCRIPTION AND
AGREEMENT**

Updated November 29, 2018

FERN RIDGE LIBRARY FOUNDATION

BOARD OF DIRECTORS POSITION DESCRIPTION AND AGREEMENT

As a member of the Board of Directors, I understand the general responsibilities of the Board include:

1. Establish, support, and continually evaluate the mission, goals, and objectives of the organization.
2. Provide oversight to the business affairs of the organization.
3. Help secure the funds needed to carry out the organization's mission.
4. Ensure that the financial activities of the organization are conducted in a responsible manner.
5. Adopt, monitor, and modify organizational budgets, plans, and policies.
6. Select, evaluate, and if deemed necessary, terminate any staff or consultants employed by the board.
7. Understand and respect the complementary roles of the board and the staff.
8. Avoid, in fact and in perception, conflicts of interest that might embarrass the organization, and disclose to the board in a timely manner any potential conflicts.

As a member of the Board of Directors I agree to:

1. Actively support the mission of Fern Ridge Library Foundation.
2. Read and follow the by-laws, policies and procedures of Fern Ridge Library Foundation (FRLF).
3. Attend at least 75% of all board meetings annually and let the Board President or designee know ahead of time when an absence is necessary.
4. Be committed to learning and developing the skills needed to be an effective Board member; become informed on all agenda items; and participate at board and committee meetings.
5. Serve on at least one committee and participate in occasional special events.
6. Become a financial supporter of the organization at whatever level I choose.
7. Support the fundraising activities of the organization in whatever way I can.
8. Become familiar with the FRLF's website.
9. Keep certain matters confidential, including, but not limited to:
 - real property transactions,
 - any legal matter affecting FRLF, and
 - personal information about FRLF donors.

Signature, FRLF Board Member

Date

**FERN RIDGE LIBRARY
FOUNDATION**

**BOARD
ORIENTATION
CHECKLIST**

Approved January 17, 2019

FERN RIDGE LIBRARY FOUNDATION

BOARD ORIENTATION CHECKLIST

The Fern Ridge Library Foundation will orient members of the Board of Directors on a timely basis. The orientation may include the following topics:

- Organization history and mission
- Member role and responsibilities, including position description
- Member expectations, including the conflict of interest policy
- Board by-laws, policies, and procedures
- Board organizational structure (including library director, library board representative, and Friends of the Library representative)
- Role of consultant(s) & administrative staff
- Board and committee meeting dates, processes, and formats
- Decision making procedures
- Description of foundation activities
- Funding sources, structures, and contractual responsibilities
- Financial records and processes
- Risk management procedures and legal responsibilities
- Current strategic plan

To assist Directors in fulfilling their respective responsibilities, training and development will be provided as needed and as opportunities arise. This training program may include, but will not be limited to, such topics as:

- Library services and trends
- Understanding fiscal procedures and records
- Public relations and marketing
- Policy development and review
- Strategic planning
- Fundraising and stewardship
- Cultural diversity

**FERN RIDGE LIBRARY
FOUNDATION**

**BOARD
RECRUITMENT
PROCESS AND
PROTOCOL**

Approved January 17, 2019

FERN RIDGE LIBRARY FOUNDATION

BOARD RECRUITMENT PROCESS AND PROTOCOL

Steps:

1. Board should assess current board members skills, abilities and talents and identify gaps.
2. Board should brainstorm individuals who fit into the gaps identified.
3. Prioritize who and what representation is most important to the board.
4. Develop a recruitment plan.
5. Once candidates say yes, orient and train them. (use checklist for orientation and training)

**FERN RIDGE LIBRARY
FOUNDATION**

**FINANCIAL
POLICIES AND
PROCEDURES
(FPPM)**

Approved July, 2014

FERN RIDGE LIBRARY FOUNDATION
FINANCIAL POLICIES AND PROCEDURES MANUAL
(FPPM)

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**FERN RIDGE LIBRARY FOUNDATION
FINANCIAL POLICIES AND PROCEDURES MANUAL
(FPPM)**

PART 1: INTRODUCTION

ARTICLE I: MISSION

1 The Fern Ridge Library Foundation (FRLF) is a not-for-profit corporation (501(c)3) directed
2 by a volunteer Board of Directors. The mission of the FRLF is to serve the community
3 through advocacy and support of the Fern Ridge Library District.

ARTICLE II: ORGANIZATION FOR FINANCIAL MATTERS

4 The Board of Directors, the Executive Committee, [the Executive Director of FRLF, the
5 FRLF staff] and the independent auditor all deal in financial matters that affect the FRLF.
6 [Executive Director and staff if hired.]

7 ***BOARD OF DIRECTORS***

8 A Board of Directors governs FRLF. The Board of Directors establishes policy,
9 approves procedures and provides general oversight to the FRLF. The Board of Directors
10 makes final decisions on the accounting, financial, and management policies of FRLF.

11 ***EXECUTIVE COMMITTEE [when applicable]***

12 The Executive Committee represents the Board of Directors on issues of substance
13 between regularly scheduled board meetings. The Executive Committee is empowered to act
14 on behalf of the FRLF.

15 The Executive Committee oversees the accounting, financial, and management
16 activities of the FRLF. The Committee reviews procedures and makes recommendations to
17 the Board of Directors for decisions on accounting, financial, and management policies.
18 Additionally, it develops annual goals to further the efficiency and effectiveness of the FRLF.

19 The Executive Committee may contract with an independent accountant to oversee the
20 financial records of FRLF and to prepare required financial reports.

FERN RIDGE LIBRARY FOUNDATION
FINANCIAL POLICIES AND PROCEDURES MANUAL
(FPPM)

1 [THE FOLLOWING SECTION GOES INTO EFFECT IF/WHEN THE FRLF HIRES
2 STAFF]:

3 ***EXECUTIVE DIRECTOR AND STAFF***

4 The Executive Director of FRLF oversees the day-to-day operations of the FRLF staff.
5 Additionally, the Executive Director works with the Executive Committee and the Board of
6 Directors to insure the smooth implementation of policies and procedures recommended by
7 the Executive Committee and approved by the Board. The staff of FRLF carries out daily
8 operations using the Board-approved procedures.]

9 ***AUDITOR***

10 An independent auditor may be used to oversee the financial records of FRLF and to
11 prepare required financial reports.

ARTICLE III: GENERAL OVERVIEW OF FINANCIAL MATTERS

12 FRLF receives and processes funds from three basic types of transactions: donations to
13 the FRLF; receipts from miscellaneous transactions; and funds granted by other agencies.
14 FRLF is the recipient of both unconditional promises to give (pledges) and contributed goods
15 and services. FRLF may be the recipient of conditional promises to give. [Future: FRLF also
16 is involved in the day-to-day financial affairs associated with the operation of the FRLF office
17 and management of the FRLF staff.]

18 Cash related to donations include: direct contributions received during the annual
19 appeal; payments made on pledges received during the annual appeal; and other payments
20 from donations outside of the annual appeal. Miscellaneous receipts include: payments for
21 special FRLF events (see Special Events); Amounts received as donations, miscellaneous
22 receipts, and unconditional promises to give are generally recognized as revenues to FRLF.

FERN RIDGE LIBRARY FOUNDATION
FINANCIAL POLICIES AND PROCEDURES MANUAL
(FPPM)

1 Contributed equipment with a value over \$500 will be capitalized (see In-kind
2 Contributions Controlled by FRLF). The value of contributed services, under certain
3 conditions, may also be recognized as revenue (see Appendix C). Cash received associated
4 with conditional promises to give is not recognized as revenue (see Appendix C).

ARTICLE IV: FINANCIAL POLICIES AND PROCEDURES MANUAL

5 The Financial Policies and Procedures Manual (FPPM) promulgates the Board of
6 Directors approved policies and procedures for financial matters for FRLF. The manual
7 records the delegation of authority and the assignment of responsibilities. Additionally, it
8 provides general and specific guidance to the members of FRLF in the handling of financial
9 matters for both day-to-day operations and in support of the annual fund raising campaign.

**FERN RIDGE LIBRARY FOUNDATION
FINANCIAL POLICIES AND PROCEDURES MANUAL
(FPPM)**

PART 2: FERN RIDGE LIBRARY FOUNDATION FINANCIAL CALENDAR

ARTICLE I: PERIODIC ACTIVITIES

- 1 *Monthly:*
- 2 • Pay bills
- 3 • Conduct bank reconciliation
- 4 • Reconcile pledge receivables
- 5 • Reconcile miscellaneous receivables
- 6 • Analyze restricted funds
- 7 • Spot check petty cash (if applicable)
- 8 • Review financial statements
- 9 • Review budget
- 10 • [Calculate payroll]
- 11 • [Pay payroll]
- 12 • [Make payroll tax and FICA deposits]
- 13 • [Pay state withholding tax]
- 14 *Quarterly:*
- 15 • Review uncollected pledges for write-off
- 16 • Analyze cash flow
- 17 • Complete financial reports.
- 18 • [File payroll taxes reports]
- 19 • [Pay payroll taxes]
- 20 • [Pay Federal unemployment taxes]

FERN RIDGE LIBRARY FOUNDATION
FINANCIAL POLICIES AND PROCEDURES MANUAL
(FPPM)

- 1 *Yearly:*
- 2 • File annual Tax Returns
- 3 • Pay regulatory fees
- 4 • Review previous year's budget
- 5 • Prepare following year's budget
- 6 • Review audit
- 7 • Conduct annual inventory of equipment
- 8 • Review depreciation schedule
- 9 • Review allowance for uncollectible pledges
- 10 • Estimate allowance for uncollectible coming year
- 11 *As needed:*
- 12 • Select auditor
- 13 • Select bank(s)

**FERN RIDGE LIBRARY FOUNDATION
FINANCIAL POLICIES AND PROCEDURES MANUAL
(FPPM)**

ARTICLE II: ACTIVITIES BY MONTH

- 1 *JUNE:*
- 2 Set up new accounting books for current year
- 3 *SEPTEMBER:*
- 4 Complete tax returns for prior year
- 5 *JANUARY:*
- 6 Meet with Library Board to discuss Foundation accomplishments and obtain direction
- 7 for future activities.
- 8 *APRIL:*
- 9 Present budget to Foundation Board for year beginning June 1st.
- 10 *MAY:*
- 11 Approve budget.

**FERN RIDGE LIBRARY FOUNDATION
FINANCIAL POLICIES AND PROCEDURES MANUAL
(FPPM)**

PART 3: FINANCIAL POLICIES AND PROCEDURES

ARTICLE I: REVIEW OF FINANCIAL POLICIES

1 The Executive Committee performs the yearly review of financial policies and
2 procedures. The review compares practices being used, or contemplated, to both the stated
3 polices in the FPPM and to any newly implemented external requirements. The Executive
4 Committee will submit recommended changes in financial policies to the Board of Directors
5 for approval.

ARTICLE II: ASSETS AND ASSET MANAGEMENT

6 ***CASH***

- 7 • Petty Cash, if applicable.

8 A petty cash fund of an amount approved by the Executive Committee will be
9 maintained for the purposes of:

- 10 ○ Covering small purchases,
11 ○ Reimbursing [employees, and] volunteers for legitimate business expenses, and
12 ○ Advancing funds to [employees and] volunteers to cover small short-term
13 legitimate business expenses.

14 The Chairperson of the Board [or Executive Director when one is hired] will
15 assign, in writing, a holder for the petty cash fund. The holder of the petty cash fund is
16 responsible for making actual disbursements from the fund and receiving supporting
17 receipts. In cases of advances the receipt will take the form of a voucher from the
18 individual. Once the expense has actually been incurred the individual will redeem the
19 voucher from the petty cash fund with a receipt and any unexpended money. Vouchers
20 will be redeemed within a timely manner not to exceed two days. The fund must have

FERN RIDGE LIBRARY FOUNDATION
FINANCIAL POLICIES AND PROCEDURES MANUAL
(FPPM)

1 a total of cash, receipts, and vouchers of the approved amount at all times. The petty
2 cash fund will be spot checked periodically by the Executive Director or Treasurer,
3 and annually by the auditor.

4 Employees and volunteers are NOT authorized to temporarily “borrow” money
5 from the petty cash fund for personal use.

6 The petty cash fund will be replenished when the holder deems necessary and
7 on May 31, to facilitate year-end bookkeeping. The Chairperson of the Board [or
8 Executive Director when hired] or designated individual will review the fund prior to
9 reimbursement. Normally, the fund will be replenished only for expenditures with
10 supporting receipts. The approval of both the Chairperson of the Board [or Executive
11 Director when hired] and the Treasurer is required for replenishment or
12 reimbursements without supporting receipts.

13 • Other cash

14 Other cash will be deposited in federally insured (FDIC) accounts in banks and
15 savings and loans.

16 ○ Account balances

17 All account balances will be maintained at a level less than the federally
18 insured maximum. The staff of FRLF will maintain a running total of all
19 account balances. Any account balance that is within 5% of the FDIC insured
20 maximum level will be brought (immediately) to the attention of the
21 Chairperson of the Board [or Executive Director when hired]. The Chairperson
22 of the Board [or Executive Director when hired] will take actions necessary to
23 insure that account levels do not exceed the FDIC insured maximum.

FERN RIDGE LIBRARY FOUNDATION
FINANCIAL POLICIES AND PROCEDURES MANUAL
(FPPM)

- 1 ○ Bank rotation policy

2 FRLF may review banking services every two (2) years, effective December 1,
3 on even years. Criteria for financial institutions to be considered include:

4 ▪ Mandatory

- 5 • Financially Stable
6 • Federally Insured

7 ▪ Desired

- 8 • No Monthly Service Charge
9 • Telephone transfer Capability
10 • Interest Bearing Checking

- 11 • Cash receipts

12 FRLF receives cash (cash, check, credit card payments) in the following
13 transactions (see fuller description that follows on the next page):

- 14 ○ Cash contributions; payments received during the annual appeal.
15 ○ Pledge contributions; payments on amounts pledged during the annual appeal.
16 ○ Payments for events; payments received for special FRLF events (see Special
17 Events).
18 ○ Other cash contributions; payments received outside the annual appeal.

19 Receipts will be issued for any contributions of \$250 or more, non-payroll
20 deduction. (Current IRS Code requires donors to have a signed receipt for charitable
21 contributions of \$250 or more.) Receipts will be issued upon request for other
22 donations and payments.

FERN RIDGE LIBRARY FOUNDATION
FINANCIAL POLICIES AND PROCEDURES MANUAL
(FPPM)

1 Generally, cash (cash and checks) will be processed on the date of receipt.
2 Cash received, but not yet deposited will be stored in a locked container until the
3 depositing day.

4 ○ Cash contributions

5 Annual appeal and other campaign contributions are processed through the
6 computer software. The process of recognizing revenue and accounting for campaign
7 donations is covered in Revenue, and Appendix C.

8 ○ Pledge contributions

9 Payments for pledge contributions are received throughout the year. Payments
10 are generally made by check and arrive by mail. All mail is opened by a designated
11 Board member [or staff person when hired]. Payments are recorded in the computer
12 software. A copy of transactions is printed from the computer software.

13 ○ Payments for events

14 Receipts are processed following the general rules covered in Cash receipts.

15 ○ Other cash contributions

16 Receipts are processed following the general rules covered in Cash receipts.

17 ● Cash disbursements

18 Except for Petty Cash, all disbursements are made by pre-numbered checks.

19 ○ Authorizing checks

20 All checks require the signature of one authorized check signers. Authorized
21 check signers include:

- 22 ▪ The Chairperson of the Board [or The Executive Director (or the Acting
23 Executive Director) when hired],

FERN RIDGE LIBRARY FOUNDATION
FINANCIAL POLICIES AND PROCEDURES MANUAL
(FPPM)

- 1 ▪ The Treasurer,
- 2 ▪ Another Board member as designated by the Board.

3 At least one of the two signers on any check must be either the Chairperson of
4 the Board [or the Executive Director when hired] or the Treasurer. Both check signers
5 are responsible for independently reviewing the supporting documentation. Required
6 supporting documentation is described in Expenses.

- 7 ○ Voided checks

8 Voided checks will be clearly marked VOID and have the signature portion
9 removed. Lost checks will be replaced only after payment on the lost check has been
10 stopped with the bank.

- 11 • Bank reconciliations

12 Each bank account will be reconciled monthly. Generally, the Treasurer or
13 accountant [staff when hired] of FRLF will perform the reconciliation. The end of year
14 bank statements will be re-reconciled by the auditor. All bank reconciliations will be
15 reviewed and initialed by the Chairperson of the Board [or Executive Director when hired]
16 or Treasurer.

17 ***MARKETABLE SECURITY MANAGEMENT***

- 18 • Investment of excess cash

19 The Treasurer will review the cash balance on a periodic basis and inform the
20 Executive Committee when the cash level is excess to short term requirements. The
21 Executive Committee will select investments in low risk instruments such as FDIC
22 insured Certificates of Deposit, Money Market accounts, and US government securities.

- 23 • Custody of marketable securities

FERN RIDGE LIBRARY FOUNDATION
FINANCIAL POLICIES AND PROCEDURES MANUAL
(FPPM)

1 Marketable securities will be kept in a bank safe deposit box, held by a bank as
2 custodian, or in an insured brokerage account. Marketable securities accounts will be
3 reconciled quarterly by the Accountant or Treasurer [Executive Director when hired] and
4 reviewed and initialed by the Chairperson of the Board [Treasurer when Executive
5 Director reconciles].

6 ***RECEIVABLES***

- 7 • Pledge receivables

8 FRLF receives pledges (unconditional promises to give) during periodic fund
9 raising activities.

- 10 ○ Recording pledge receivables

11 Information is entered into the accounting system and detailed information is
12 maintained for: bill-me's, selected individual donors (see Designations, pp. 20-21),
13 and companies. The process for recognizing revenue and accounting for contributions
14 is covered in Revenue, pp. 15-16, and Appendix C.

- 15 ○ Allowance for Pledge Loss

16 An estimated allowance for pledge loss, based on historical pledge losses and
17 current economic information, will be recognized for each campaign year. The
18 allowance for pledge loss is in anticipation of both the failure to collect pledges and
19 the inadvertent double booking of pledges. A conservative estimate will be made after
20 consideration of: the actual losses incurred over the last 3 to 5 years; detected trends;
21 and current economic conditions. Historically the pledge loss has been in the range of
22 5% to 10%. An allowance will be made when revenue is recognized.

- 23 ○ Collection of pledges

FERN RIDGE LIBRARY FOUNDATION
FINANCIAL POLICIES AND PROCEDURES MANUAL
(FPPM)

1 A pledge is a legally enforceable contract. FRLF will make a reasonable effort
2 to collect on all pledges. A pledge that is over thirty days late will be considered past
3 due.

- 4 ○ Individual and corporate pledges

5 FRLF will attempt to contact all donors of past due pledges. After the second
6 notification (or notification attempt), any uncollected pledges will be referred to the
7 Board.

8 ***PREPAID EXPENSES***

9 FRLF may prepay certain expenses (e.g. insurance).

10 ***EQUIPMENT***

11 Acquisition

12 FRLF acquires equipment through purchase with unrestricted funds, purchase with
13 contributed funds that were temporarily restricted for the purpose of equipment acquisition,
14 and through direct contribution of equipment (in-kind contribution). Purchase acquisitions up
15 to a limit of \$1,000 per item require authorization by two authorized check signers. A
16 competitive bidding process will be used when determined necessary by the authorization
17 authority. Purchased equipment will be carried at its purchase price. Donated equipment will
18 be carried at its fair market value (FMV) on the date of donation. The Executive Director
19 using available information such as the current commercial price for like items, estimates by
20 appraisers, and the donor's estimate of value will estimate the FMV of the donated equipment.

- 21 • Accounting

22 Equipment with a value greater than or equal to \$500 will be capitalized.

23 Equipment with a value less than \$500 will be expensed in the year of acquisition.

FERN RIDGE LIBRARY FOUNDATION
FINANCIAL POLICIES AND PROCEDURES MANUAL
(FPPM)

1 • Depreciation

2 An up-to-date list of capitalized equipment will be maintained on a depreciation
3 schedule. The depreciation schedule will include: equipment description, equipment serial
4 number (if available), date of acquisition, acquisition price or FMV, depreciation method,
5 accumulated depreciation, and current year's depreciation. Once listed, equipment shall
6 remain on the depreciation schedule until it is no longer owned by FRLF. Equipment shall
7 be depreciated by the straight-line method over their useful lives, typically 5 years with no
8 salvage value.

9 • Annual equipment inventory

10 The Executive Director will conduct an annual physical inventory of capital
11 equipment. The inventory will be compared to the depreciation schedule to verify that
12 each piece of equipment is listed and that the listed equipment is still owned by the FRLF.
13 The Treasurer will reconcile the inventories with the prior year inventories.

14 • Disposal of equipment

15 Equipment will be disposed of by FRLF when no longer needed. The Executive
16 Director or Treasurer will approve of the disposal of all equipment. Disposal may be made
17 by sale, contribution to another not-for-profit agency, return to the original donor, or
18 through discarding the equipment. Disposition of equipment will be properly documented.
19 Gain or loss recognition rules associated with the disposal of equipment are included in
20 Miscellaneous transactions, pg. 15.

ARTICLE III: LIABILITIES

21 ***ACCOUNTS PAYABLE***

22 Expenses are recognized when paid.

**FERN RIDGE LIBRARY FOUNDATION
FINANCIAL POLICIES AND PROCEDURES MANUAL
(FPPM)**

ARTICLE IV: FUNDS AND FUND BALANCES

1 The FRLF may maintain separate funds to facilitate the operations of the FRLF. The
2 Board will recommend to the Executive Director a fund structure to track the activities of the
3 FRLF. Each fund shall be a self-balancing set of accounting records. The Executive Director
4 may authorize short-term inter-fund transfers to support current operational requirements. All
5 transactions associated with each of the funds will be recorded. The Board will review fund
6 activity on a monthly basis.

ARTICLE V: REVENUE

7 ***GENERAL***

- 8 • Revenue recognition

9 FRLF receives moneys, goods and/or services from contributions to FRLF and
10 miscellaneous transactions. See Appendix C.

- 11 • Receipt of a donation

12 Receipt of a donation or a pledge, with no attached conditions, is considered a
13 contribution to FRLF. A contribution can be in the form of a current donation or a promise
14 to give in the future. A contribution may be unrestricted or restricted. A contribution may
15 cover a multi-year period. A contribution may be in the form of money, goods or services.
16 A contribution may have donor imposed restrictions that limit how and/or when the
17 contribution may be used by FRLF.

FERN RIDGE LIBRARY FOUNDATION
FINANCIAL POLICIES AND PROCEDURES MANUAL
(FPPM)

- 1 • The Financial Accounting Standards Board (FASB)

2 FASB promulgates rules and regulations that determine when, and if, FRLF
3 recognizes revenue from the aforementioned transactions. The detailed implementing
4 requirements for revenue recognition are contained in Appendix C.

- 5 • Employer matching contributions

6 Some employers have policies of matching all, or a portion of their employees'
7 contributions. The board [or Executive Director] will evaluate every employer's matching
8 agreement to determine if the employer's matching contribution follows any restrictions
9 imposed by the employee.

- 10 • Miscellaneous transactions

11 FRLF may recognize gains or losses from the disposal of unneeded equipment or
12 from other miscellaneous transactions. The sales price or fair market value (FMV) (in
13 cases of contribution to another not-for-profit agency, return to the original donor, or
14 discarding the equipment) will be compared to the book value of the equipment to
15 determine the amount of the gain or loss. A materiality cut-off of \$100 will be applied to
16 recognition of gains and losses.

17 ***FRLF FUND RAISING***

18 Fund raising is the principle source of revenue for FRLF. FRLF recognizes unrestricted
19 contributions to FRLF as revenue to FRLF (see Appendix C).

- 20 • Fund raising

21 During a campaign, frequent reports are made on the fund raising progress.
22 Campaign results will report the total amount raised, and will include both contributions to
23 FRLF and funds that FRLF collects on the behalf of others (specific designations).

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1 Contributions are counted for reporting purposes based on both written and phoned
2 information.

3 • Contribution processing

4 ○ Recognition of a contribution

5 Recognition of a contribution occurs when documented evidence of the
6 contribution is received at the FRLF office. All contributions are processed and a
7 summary is then printed. It includes the following information: name of
8 contributor, identification of donor restricted pledges that are not revenue to FRLF,
9 the amount of cash (cash, checks and charge card).

10 ○ Summary sheets

11 Copies of summary sheets are used to record pledge income in the general
12 ledger and for documentation for donor receipts of lump sum donations of \$250 or
13 more per occurrence.

14 ○ Cash receipts by mail

15 The designated staff person opens all mail. Initial contributions are recorded
16 for periodic reporting and are processed through the contribution process.

17 ○ Charge card discounts

18 Contributions paid using a charge card have an associated discount amount.
19 The charge card discount shall be treated as a reduction of revenue. Discounts shall
20 be recorded in a separate contra-revenue account.

21 ***IN-KIND CONTRIBUTIONS CONTROLLED BY FRLF***

22 In-kind contributions controlled by FRLF will be recognized as a donation and
23 recorded. In-kind contributions are valued at their fair market value. Donated equipment used

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1 by FRLF that has a fair market value greater than \$500 is capitalized and depreciated (see
2 Acquisitions, p. 13). Other donated material used by FRLF is recorded in the appropriate
3 expense category. Donated material that FRLF contributes to other agencies is recorded as an
4 allocation to the appropriate agency. Gain or loss on donated material that FRLF sells will be
5 calculated based on the comparison of the book value to the fair market value, as determined
6 by the Executive Director of FRLF, at the time of sale.

7 Donated marketable securities are normally held for a maximum of twelve months and
8 then sold. The Executive Committee is responsible for the timely disposition of donated
9 marketable securities. The Executive Director may request approval from the Executive
10 Committee to hold donated securities for additional time periods beyond the first 12 months.
11 Should other types of investments be received, the Executive Committee shall determine how
12 they will be handled. A materiality threshold of \$250 will be used for all in-kind contributions
13 controlled by FRLF.

14 ***SPECIAL EVENTS***

15 Special events are events or activities designed primarily for publicity and community
16 relations. They may also result in incidental fund raising. These special events are considered
17 peripheral or incidental transactions to FRLF.

18 Each special event is accounted separately. If the special event results in more money
19 taken in than paid out the net amount is included as campaign income. If the special event
20 results in more money paid out than taken in the net amount is recorded as an expense to
21 Special Events.

22 ***ESTIMATE OF FAIR MARKET VALUE (FMV)***

23 The Executive Director will estimate fair market value as necessary.

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ARTICLE VI: SERVICES EXPENSES

1 ***OPERATING AND EQUIPMENT***

- 2 • Operating budget

3 The operating budget includes all expected expenses for operations. The budget
4 also includes expected administrative income. Payments on capitalized leases are included
5 in the operating budget.

- 6 • Equipment budget

7 Equipment is included in the Equipment budget. Equipment to be purchased
8 outright would appear on both the Equipment budget and the operating budget. Equipment
9 purchased using capital leases appear on the equipment budget with the current year's
10 payments only appearing on the operating budget.

- 11 • Budget preparation

12 The budget is based on estimates of actual expenses rather than percentage
13 increases over previous years. The Treasurer recommends a budget to the Board.

- 14 • Budget approval

15 The Board approves the final budget. If the Board has not approved a budget by
16 June 1 the Executive Director is authorized to continue normal operations.

17 ***EXPENSES***

18 Expenses are costs incurred or charged against revenue resulting from activities in
19 either raising or administering funds.

- 20 • Recording

21 Processing requires verifying the invoice, checking all calculations and coding
22 expenses to the appropriate general ledger account for financial reporting by the office

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1 staff. Items should be expensed in the same account budgeted. Expenses are recorded
2 when paid. The Executive Director or Treasurer is responsible for authorizing each
3 expense payment. At year end accrued expenses will be recorded to allow accrual
4 statements to be prepared using an accrual-reversal system.

5 • Payment

6 Payments are normally made as received.

7 • Expense reports/reimbursement

8 Volunteer expenses consist of expenses incurred by the volunteer for FRLF related
9 activities. Volunteer reimbursement request/expense forms should be turned in to the
10 Executive Director monthly, with all receipts attached. Normally, only expenditures with
11 supporting receipts will be reimbursed. The Treasurer is authorized to approve
12 reimbursement of the Executive Director for expenses without supporting receipts. The
13 Executive Director is authorized to approve reimbursements with out supporting receipts
14 for the rest of the FRLF staff.

15 • Reports/checks issued

16 Reports must be computer generated, typed, or filled out in ink. Expense
17 reimbursement checks will be issued with the next batch of checks.

18 • Payment

19 Approved mileage will be reimbursed at the current approved rate.

20 • Unforeseen items

21 Nonrecurring, unbudgeted expenses will be recorded as unbudgeted expenses.
22

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APPENDIX A: GLOSSARY OF ACCOUNTING TERMS SPECIFIC TO
FERN RIDGE LIBRARY FOUNDATION (FRLF)

- 1 **Accounts Payable (AP)** – Liabilities incurred that have been approved for payment.
- 2 **Annual Appeal** – Annual fund raising effort not tied to a specific campaign.
- 3 **Assets** – Economic resources owned by FRLF expected to be of benefit in the future: cash,
- 4 receivables, property, and equipment
- 5 **Audit** – see Financial Audit and Campaign Audit
- 6 **Balance Sheet** – Financial statement showing assets and liabilities and fund balances.
- 7 **Batches** – Batches are a form of special journal for recording cash and credit card
- 8 contributions, bill-me pledges, payroll deduction pledges, and corporate pledges. A batch
- 9 number is used as part of the audit trail in the accounting records to allow amounts
- 10 recorded to be traced back to the original pledge card or other document substantiating the
- 11 amount.
- 12 **Bill Direct** (see Direct Bill)
- 13 **Bill Me** (see Direct Bill)
- 14 **Board Designated Reserve** – Funds set aside by the Board to be used for a particular
- 15 purpose.
- 16 **Campaign** – Specially designated fund raising effort of FRLF.
- 17 **Campaign Audit** – Extensive review of financial records and processes associated with a
- 18 FRLF campaign.
- 19 **Capitalize** – A purchase that is classified as an asset rather than an expense is said to be
- 20 capitalized.
- 21 **Cash Disbursements** – Payment made to satisfy liabilities or current expenses.

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- 1 **Cash Flow Report** – A report showing cash receipts and disbursements activity.
- 2 **Cash Receipts (CR)** – Campaign collections and other payments received.
- 3 **Services Expenses** – Cost of office and administrative staff, supplies, and office expenses
- 4 (i.e., telephone, rent, utilities, cleaning). Services expenses are overhead.
- 5 **Chart of Accounts** – An ordered list of all asset, liability, funds, revenue, and expense
- 6 accounts and their associated account numbers.
- 7 **Collectibles** – Accounts receivables.
- 8 **Conditional Promise to Give** – A promise to give that depends on the occurrence of a
- 9 specified future and uncertain event to bind the promisor.
- 10 **Contributions** – Donation of cash, pledges, in-kind donations made to FRLF.
- 11 **Corporate Contributions** – Donation of cash, pledges, in-kind donations made to FRLF by
- 12 corporations. Payroll deductions collected by a corporation and remitted to FRLF are NOT
- 13 considered part of the corporate contribution.
- 14 **Dailies** – Dailies are a special form of cash receipts journal to record payments on account.
- 15 Daily listing of collections on pledge receivables including: account number, company,
- 16 and amount. A daily is tied to a bank deposit and used as the basic input form for
- 17 recording accounts receivables to the accounts receivable subsidiary ledger (software).
- 18 **Direct Bill** – Pledges that are billed directly to the donor rather than through payroll
- 19 deduction.
- 20 **Depreciation** – The accounting process of allocating the cost of a tangible asset over its
- 21 useful life.

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- 1 **Depreciation Schedule** – Listing of depreciable assets including: original cost, expected life,
2 depreciation method, salvage value (if any), summary of depreciation taken by time period
3 and book value (cost less accumulated depreciation).
- 4 **Donor Imposed Restriction** – A restriction on the use of contributed assets that places a
5 limitation on how and/or when the asset may be used.
- 6 **Donor Option Program (DOP)** – Program that allows contributors to designate gifts to
7 specific agencies or a general category of agencies.
- 8 **Expense** – Cost incurred or charge against revenue resulting from activities in either raising
9 or administering funds.
- 10 **Fair Market Value** – The amount that an asset would be traded for in an open, arms-length
11 exchange between a willing buyer and a willing seller.
- 12 **Fund** – A Fund is a collection of accounts that is used to facilitate the processing of
13 transactions associated with a separately definable entity.
- 14 **Fund Balance** – Excess of assets over liabilities.
- 15 **Financial Audit** – Extensive review of the financial records and processes performed by a
16 Certified Public Accountant which includes verifying of records with outside entities.
- 17 **General Ledger** – An accumulated list of transactions grouped by account.
- 18 **Gifts-in-Kind** – National program that is a vehicle for corporations to provide their products
19 to non-profit organizations. FRLF oversees the distribution of the contribution to local
20 agencies.
- 21 **In-kind Contribution** – Gifts of property made to FRLF.
- 22 **Journal** – Book of original entry for accounting records. FRLF has a General Journal and
23 several special journals including a journal for campaign contributions (batches), a cash

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1 receipts journal for campaign contributions (dailies), a cash disbursements journal (check
2 register).

3 **Liabilities** – All economic responsibilities of the organization including debts as well as
4 advances received on conditional promises to give.

5 **Loaned Executive** – An individual from the community who assists the FRLF during a
6 special fund raising campaign.

7 **New Money** – Money that is received for a current campaign or appeal.

8 **Old Money** – Money that is in payment of pledges from a past campaign or appeal.

9 **Payroll Deduction (PRD)** – Pledges that are deducted from a paycheck and forwarded to
10 FRLF by the employer.

11 **Per Diem** – Assumed daily cost for meals while employees are out of town on FRLF
12 business. Per Diem is used as a maximum for reimbursement.

13 **Permanently Restricted Assets** – Assets with a permanent donor imposed restriction on their
14 use.

15 **Pledge** – A promise to make a cash contribution at a later date.

16 **Pledge Receivable** – Payroll deduction and direct bill gifts taken during the campaign.

17 **Present Value** – The value today of a future payment or series of payments discounted at the
18 appropriate interest rate.

19 **Reclassification** – Increase in unrestricted net assets, with a corresponding decrease in
20 temporarily restricted net assets, due to the expiration of a donor imposed restriction.

21 **Revenue** – Contributions that include: cash contributions, pledge contributions, in-kind
22 contributions, certain donated services, and administrative income.

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- 1 **Special Events** – Activities designed primarily for publicity and community relations, as well
2 as fund raising.
- 3 **Temporarily Restricted Assets** – Assets with a temporary donor imposed restriction on their
4 use. The restriction can be for time, purpose, or both time and purpose.
- 5 **Unconditional promise to give** – A promise to give that depends only on the passage of time
6 or the demand by the recipient.
- 7 **Unrestricted assets** – Assets that do not have any donor imposed restriction, either stated or
8 implied, on their use.

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(FPPM)**

APPENDIX B: ACRONYMS SPECIFIC TO FRLF

- 1 **FRLF** – Fern Ridge Library Foundation
- 2 **FPPM** – Financial Policies and Procedures Manual

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(FPPM)

APPENDIX C: REVENUE RECOGNITION

1 FRLF receives and recognizes revenue from; contributions to FRLF, administrative fees for
2 collecting and managing funds for other agencies, and miscellaneous transactions. FRLF can
3 operate as an intermediary (agent) in collecting and managing funds for other agencies. FRLF
4 could receive funds associated with conditional promises to give. Revenues are not recognized
5 for agency transactions or for conditional promises to give.

6 **Contributions** – Receipt of an unconditional promise to give to FRLF is considered a
7 contribution to FRLF. A contribution can be a current donation or a promise to give in the
8 future. A contribution may be unrestricted or restricted. A contribution may cover a multi-year
9 period. A contribution may be in the form of money, goods or services. For revenue
10 recognition purposes there is no distinction between a current donation and a promise to give
11 in the future. Revenue is recognized when received. Contributions are recognized at their fair
12 market value (FMV) as determined by FRLF.

13 ***Unrestricted contributions*** – An unrestricted contribution is one in which the donor
14 places no specific restrictions on the contribution and there are no “implied” restrictions
15 associated with the contribution. Unrestricted contributions are classified as unrestricted
16 assets. All unrestricted contributions are recognized as revenues to FRLF.

17 ***Restricted contributions*** – A restricted contribution is one in which the donor imposes
18 restrictions on the use of the asset. A restriction can be stated or implied. A restriction can
19 be permanent or temporary. A restriction can be based on time, purpose, or both time and
20 purpose. Contributions to FRLF received with donor imposed restrictions are classified as
21 restricted assets. Once the restriction is satisfied the assets are “reclassified” as
22 “unrestricted assets”. Restricted contributions to FRLF are recognized as revenues to

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1 FRLF. Contributions processed by FRLF that designate a specific agency, program or
2 person are not contributions to FRLF and are not recognized as revenues to FRLF (see
3 Agent transactions, pg. 33).

4 ***Stated and implied restrictions*** – A contribution where the donor states (designates)
5 that the donation is to be used for a specific purpose, given to a specific agency, or is not
6 to be used until after a certain period is a restricted contribution. An unrestricted promise
7 to give assets in a future period is considered a time restricted contribution unless the
8 donor stipulates, or the circumstances make it clear, the donor intended the contribution to
9 be used to support current activities. Contributions received in conjunction with the annual
10 fund drive may often have implied restrictions. A cash donation in year 1 for a campaign
11 to raise funds for year 2 has an implied time restriction and, accordingly, is classified as a
12 restricted asset.

13 ***Permanent and temporary restrictions*** – A permanent restriction requires that the
14 donated asset be maintained by FRLF. The earnings from the asset, or other economic
15 benefit, may be used depending on any other restrictions made by the donor. A temporary
16 restriction permits use of the donated asset once specified (or implied) restrictions are
17 satisfied. Temporary restrictions are satisfied either through the passage of time or through
18 the accomplishment of a specified action.

19 ***Reclassification*** – Temporarily restricted assets are reclassified as unrestricted assets
20 once the donor imposed restrictions are satisfied.

21 FRLF may set aside assets for specific purposes. However, this does not result in the
22 assets being classified as restricted assets. Only the donor may place a restriction on
23 donated assets.

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1 Current accounting procedures allow FRLF to treat restricted contributions, where the
2 donor imposed restriction is met within the same reporting period, as unrestricted assets.
3 FRLF policy is to recognize all restricted contributions as temporarily restricted assets.
4 When the restriction is met the assets will be reclassified as unrestricted.

5 ***Contributed services*** – Current accounting procedures require the recognition of
6 revenue from services received under either of two conditions:

- 7 • The services received “create or enhance” non-financial assets (e.g. a
8 building).
- 9 • The service involves specialized skills, possessed by the individual
10 performing the service, and the service would be purchased if not donated
11 (e.g. accounting services).

12 Services that do not meet either of the above criteria may not be recognized as
13 revenues. A materiality cut-off of \$300 will be applied to recognition of contributed
14 services.

15 **Created and enhanced assets** – For a created asset the donated services will be valued
16 at the FMV of the asset (less material costs). For an enhanced asset the donated services
17 will be valued at the increase in the FMV of the asset, again less material costs. The value
18 of the donated services will be recognized under the revenue category “In-kind property”.

19 **Donation of specialized skills** – Revenue will be recognized at a level that corresponds
20 to the FMV of the specialized service that would have been purchased if the contribution
21 had not been received. An unconditional promise to provide services in a future period
22 will be recognized at the present value (PV) of the equivalent cash flows required to
23 procure the services that will be purchased in the future if the contribution had not been

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1 received. Contributed services of specialized skills will be categorized as revenue under
2 “in-kind services”, with a corresponding equal expense.

3 ***Multi-year contributions*** – FRLF may, infrequently, receive contributions that span
4 multiple years. Revenue recognition on a multi-year contribution is based on the PV of the
5 discounted cash flows associated with the contribution. The current year cash flow will be
6 considered as an unrestricted asset unless the donor has imposed a specific restriction.
7 Future year's cash flows are classified as restricted assets. (They are always time restricted
8 and they may be purpose restricted if so designated by the donor.) The calculation for the
9 amount of revenue to be recognized in the current year is dependent upon; the cash flow,
10 the timing of the cash flow and the discount rate used to calculate PV. At the beginning of
11 each year the current interest element of the discounted cash flow will be accrued and the
12 funds that become available for use during the year will be reclassified as current assets. If
13 there is not a purpose restriction imposed by the donor the funds become current
14 unrestricted assets, otherwise they become current restricted assets. The calculated
15 “interest income” from the periodic amortization of the discount will be recognized as
16 revenue with the same classification as the reclassified funds.

17 ***Employer matching contributions*** – Some employers have a policy of matching all, or
18 a portion, of their employees’ contributions. If the matching contribution follows the
19 employee’s imposed restriction, and the employee’s donation was not revenue to FRLF
20 (see Restricted contributions, pg. C-1) then the matching contribution is also not revenue
21 to FRLF.

22 **Administrative fees** – Moneys received for collecting funds for another agency or managing
23 funds for another agency can be recognized as revenue on the basis of being earned and

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1 received or receivable. FRLF will normally recognize moneys as received. However to
2 facilitate the year end close out, FRLF will accrue any moneys receivable on December 31.

3 **Agency transactions** – FRLF may act as an intermediary or “agent” in passing on
4 contributions from a donor to a recipient. In cases where FRLF has little or no discretion in
5 determining how the assets transferred will be used FRLF is acting in an agency status. FRLF
6 does not recognize revenue from agency transactions. In contrast, if the resource provider
7 allows FRLF to establish, define, and carry out the programs that disburse the donation to the
8 beneficiaries then FRLF is receiving and making donations and revenue is recognized. Money
9 that FRLF collects from donors where the donor has imposed restrictions on the use of the
10 money to specific agencies or programs is not revenue to FRLF. Each case where FRLF is
11 collecting funds for other agencies or managing funds for other agencies will be evaluated to
12 determine if FRLF is acting as an agent.

13 **Conditional promises to give** – The FRLF may be the recipient of conditional promises to
14 give. A condition is separate and distinct from a restriction. A conditional promise to give is
15 not considered a contribution and revenue is not normally immediately recognized. A
16 contribution is considered received and revenue is recognized when the conditions of the
17 contribution are substantially met. However, revenue may be recognized immediately if the
18 possibility of the conditions not being met is considered remote. Funds received prior to the
19 conditions being satisfied are booked as a liability. FRLF is required to make certain
20 disclosures associated with conditional promises to give. The required information includes
21 the amounts promised, grouped by similar conditions and purposes. The Executive Director
22 will determine if an offer constitutes a conditional promise to give, whether the conditions of

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- 1 the situation warrant immediate revenue recognition and when the conditions of the
- 2 contribution have been substantially met.

3

**FERN RIDGE LIBRARY
FOUNDATION**

**CONFLICT OF
INTEREST POLICY
AND STATEMENT**

Approved March 21, 2019

FERN RIDGE LIBRARY FOUNDATION

Conflict of Interest Policy and Statement

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FERN RIDGE LIBRARY FOUNDATION
Conflict of Interest Policy and Statement

ARTICLE I: PURPOSE

1 The purpose of this conflict of interest policy is to protect the interest of the Fern Ridge
2 Library Foundation (FRLF) when it is contemplating entering into a transaction or
3 arrangement that might benefit the private interest of an officer or director of this not-for-
4 corporation (501(c)3). This policy is intended to supplement but not replace ORS 65.361
5 governing conflicts of interest applicable to nonprofit and charitable corporations.

ARTICLE II: DEFINITIONS

6 ***INTERESTED PERSON***

7 Any director, principal officer, or member of a committee with board-delegated powers who
8 has a direct or indirect financial interest, as defined below, is an interested person.

9 ***DIRECT FINANCIAL INTEREST***

10 A transaction or compensation arrangement between the individual and this corporation.

11 ***INDIRECT FINANCIAL INTEREST***

12 An ownership or investment interest in any entity with which this corporation has a
13 transaction or a compensation arrangement; or a compensation arrangement with any entity or
14 individual with which the corporation has a transaction or compensation arrangement; or a
15 potential ownership or investment interest in, or compensation arrangement with, any entity or
16 individual with which the corporation is negotiating a or compensation arrangement.

17 ***COMPENSATION***

18 Direct and indirect remuneration as well as gifts or favors that are substantial in nature.

FERN RIDGE LIBRARY FOUNDATION
Conflict of Interest Policy and Statement

ARTICLE III: PROCEDURES

1 ***DUTY TO DISCLOSE***

2 In connection with any actual or possible conflict of interest, an interested person to the
3 directors and members of committees with board-delegated powers considering the proposed
4 transaction or arrangement.

5 ***DETERMINING WHETHER A CONFLICT OF INTEREST EXISTS***

6 After disclosure of the financial interest, the interested person shall leave the board or
7 committee meeting while the financial interest is discussed. The remaining board or
8 committee members shall determine if a conflict of interest exists by vote wherein a majority
9 of the votes cast shall be required to establish that a conflict exists.

10 ***PROCEDURES FOR ADDRESSING THE CONFLICT OF INTEREST***

- 11 • The President or committee shall, if appropriate, appoint a disinterested person or
12 committee to investigate alternatives to the proposed transaction or arrangement.
- 13 • After exercising due diligence, the board or committee shall determine whether the
14 corporation can obtain a more advantageous transaction or arrangement with
15 reasonable efforts from a person or entity that would not give rise to a conflict of
16 interest.
- 17 • If a more advantageous transaction or arrangement is not reasonably attainable under
18 circumstances that would not give rise to a conflict of interest, the board or committee
19 shall determine by a majority vote of the disinterested directors whether the
20 transaction or arrangement is in the corporation's best interest and for its own benefit
21 and whether the transaction is fair and reasonable to the corporation and shall make its
22 decision as to whether to enter into the transaction or arrangement in conformity with
23 such determination. The director who is the subject of the conflict of interest shall not

FERN RIDGE LIBRARY FOUNDATION
Conflict of Interest Policy and Statement

1 participate in the deliberations except to answer questions and shall not be present in
2 the room during the deliberations or vote.

3 ***VIOLATIONS OF THE CONFLICT OF INTEREST POLICY***

- 4 • If the board or committee has reasonable cause to believe that a member has failed to
5 disclose actual or possible conflicts of interest or has breached the fiduciary duty to
6 keep board discussions confidential, it shall inform the member of the basis for such
7 belief and afford the member an opportunity to explain the alleged failure to disclose
8 or breach.
- 9 • If, after hearing the response of the member and making such further investigation as
10 may be warranted in the circumstances, the board or committee determines that the
11 member has, in fact, failed to disclose an actual or possible conflict of interest or has
12 breached the fiduciary duty to keep board discussions confidential, it shall take
13 appropriate disciplinary and corrective action.

ARTICLE IV: RECORDS OF PROCEEDINGS

14 The minutes of the board and all committees with board-delegated powers shall contain:

- 15 • The names of the persons who disclosed or otherwise were found to have an actual or
16 possible conflict of interest, the nature of the conflict, any action taken to determine
17 whether a conflict of interest was present, and the board or committee decision as to
18 whether a conflict of interest in fact existed.
- 19 • The names of the persons who were present for discussions and votes relating to the
20 transaction or arrangement; the content of the discussion, including any alternatives to
21 the proposed transaction or arrangement; and a record of any votes taken in connection
22 therewith.

FERN RIDGE LIBRARY FOUNDATION
Conflict of Interest Policy and Statement

ARTICLE V: COMPENSATION COMMITTEES

1 A voting member of any committee whose jurisdiction includes compensation matters and
2 who receives compensation, directly or indirectly, from the corporation for services is
3 precluded from voting on matters pertaining to that member's compensation.

ARTICLE VI: STATEMENTS

4 Upon joining the board, each director, principal officer, and member of a committee with
5 board-delegated powers shall sign a statement that affirms that such person:

- 6 • Has received a copy of the Conflict of Interest Policy,
- 7 • Has read and understands the policy,
- 8 • Has agreed to comply with the policy, and
- 9 • Understands that the corporation is a charitable organization and that in order to
10 maintain its federal tax exemption it must engage primarily in activities that
11 accomplish one or more of its tax-exempt purposes.

12 The following board member or member of a committee with board-delegated powers has
13 received a copy, read, and understands the Fern Ridge Library Foundation Conflict of Interest
14 Policy.

15
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25
26
27
28
29

Signature

Print Name

Date

**FERN RIDGE LIBRARY
FOUNDATION**

**ENDOWMENT
FUND OPERATING
PRINCIPLES**

Revised May 2013

FERN RIDGE LIBRARY FOUNDATION

Endowment Fund Operating Principles

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FERN RIDGE LIBRARY FOUNDATION

Endowment Fund Operating Principles

ARTICLE I: FORMATION

1 The Fem Ridge Library Foundation (FRLF) Endowment Fund (endowment) is provided for
2 individuals, foundations, and businesses to donate cash or other properties to FRLF to be
3 administered and distributed as hereafter provided or as amendments are adopted. The funds
4 will be held and managed by the Oregon Community Foundation (OCF).

ARTICLE II: PURPOSE OF FERN RIDGE LIBRARY FOUNDATION ENDOWMENT FUND

5 The purpose of the endowment shall be to receive gifts so designated by donors, in order to
6 create an investment fund. The fund may also receive unrestrictive donations at the discretion
7 of the Board of the FRLF. The income from interest and dividends from the endowment shall
8 be distributed according to the needs of the Fem Ridge Library as communicated to the
9 Foundation board by the Library Board, and at the discretion of the Foundation board.

10 It is intended that only the investment income from the endowment be distributed periodically
11 (but not necessarily on an annual basis) to support the Fem Ridge Library.

ARTICLE III: PROGRAM DEVELOPMENT AND DISTRIBUTION POWERS

12 The Board of Directors of the FRLF shall have the sole authority to disburse funds from the
13 endowment as provided in these Operating Principles. The Board of Directors of the FRLF
14 and its staff/Executive Director shall provide program management and development which
15 could be provided through the formation of a Planned Giving and Endowment Committee if
16 deemed necessary.

17 The Board of Directors of the FRLF, possibly through a Planned Giving and Endowment
18 Committee, shall be responsible for fund raising and implementing strategies to build
19 endowment funds for the FRLF, through a coordinated, active program of identifying,
20 soliciting, and recognizing donors, and implementing and providing oversight of the Gift
21 Acceptance Policy. Each gift will be reviewed to determine if it complies with the Gift
22 Acceptance Policy. A necessary function of the FRLF and its appropriate committees is the
23 cultivation of the financial and estate planning community.

ARTICLE IV: GIFT ACCEPTANCE POLICY

24 The FRLF Endowment Fund may accept unrestricted and restricted gifts, both in cash and in
25 kind. These will be separately accounted for.

26 A donation received directly from a donor to an endowment is inherently restricted to the
27 endowment. The fund agreement which governs the FRLF Endowment Fund with OCF
28 allows FRLF to request distributions of both income and principal from the fund even to the
29 exhaustion of the fund. It is OCF's policy that additions to the fund come from FRLF. Cash
30 gifts to the endowment should be made to FRLF and forwarded to the fund at the discretion of
31 FRLF. OCF will directly accept gifts of securities to the fund and inform the donor of the
32 nature of the fund agreement.

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1 All bequests and gifts are subject to the bylaws, rules and regulations of the FRLF and the
2 policies and procedures of the Oregon Community Foundation, which manages the
3 Endowment Fund. The spending policy of OCF adheres to the Unified Prudent Management
4 of Institutional Funds Act (UPMIFA) and does not restrict fund distributions to income only.
5 The FRLF reserves the right to decline any gift that does not further the mission or goals of
6 the FRLF or that would result in the incurrence of excessive expense or administrative effort
7 on the part of itself or the Oregon Community Foundation.

8 In all matters related to planned gifts, the intent of the donor shall be primary and take priority
9 over the interest of the FRLF. No action, with respect to distribution of funds shall be taken
10 that would be in conflict with the donor's restrictions except for the special circumstances
11 provided in Article VI.

ARTICLE V: GENERAL PROVISIONS OF DISTRIBUTION

12 *INVASION OF PRINCIPAL*

13 No invasion of the principal of the endowment shall be allowed, except by unanimous vote of
14 the FRLF Board.

15 *DISBURSEMENT AND SUPPORT PROCESS*

16 A disbursement process will be established in accordance with the fiscal management policies
17 of the FRLF to provide for approving the periodic distribution of the income from the
18 endowment. Subject to the particular terms of the donation, during each calendar year, or as
19 needed, are determined and recognized, the Board of Directors of FRLF shall determine all
20 recipients of funds. The Fern Ridge Library Board of Directors may make recommendations
21 to the FRLF Board of Directors for funds distribution.

22 *TYPES OF SUPPORT AND DISTRIBUTION PROCESS*

23 The Board of Directors will approve grants and distributions. The distribution process will be
24 separate from any other FRLF fund distribution process. However, the two will coordinate for
25 the purpose of information sharing. The distribution timetable shall coincide with the fiscal
26 year.

27 The area of focus for distributions shall include:

- 28 1. Venture grants, innovative programs, and start-up grants for programs that involve the
29 use of the resources of the Fern Ridge Library.
- 30 2. Capital Improvements, non-recurring special needs of the Fern Ridge Library.
- 31 3. Emergencies, including natural disasters, as deemed by the Board of Directors.
- 32 4. Expenses that may not fit previous descriptions, but are deemed necessary by the
33 Board of Directors, for the support of the Library, or the Library Foundation Board.

FERN RIDGE LIBRARY FOUNDATION

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1 ***INCOME AVAILABLE FOR DISTRIBUTION***

2 The availability of funds to be distributed by the board of Directors is determined by the
3 guidelines set by the Oregon Community Foundation disbursement rules.

4 ***UNDISTRIBUTED INCOME***

5 Any investment income, which is not distributed in a particular calendar year, will be
6 reinvested in the corpus of the fund.

7 ***RELATIONSHIPS***

8 Cooperative and productive relationships with foundations and other community planned
9 giving entities are essential to the growth and development of the FRLF Endowment;
10 however, no agreement, contract, or arrangement shall be entered into without the full
11 disclosure and approval of the Board of Directors and after seeking expert financial and legal
12 counsel.

13 ***INTERNAL ACCOUNTABILITY***

14 The financial and accounting transactions of the endowment funds shall be the responsibility
15 of FRLF.

ARTICLE VI: TYPES OF GIFTS

16 ***OUTRIGHT GIFTS***

17 Outright gifts of cash or securities in any amount will be accepted. Solicitation will focus on
18 gifts of \$1,000 and greater. However, care will be taken to ensure that outright gifts to the
19 Endowment Fund do not replace contributions to any other FRLF fundraising campaign.
20 Donors may restrict gifts of \$25,000 or more.

21 ***MEMORIAL GIFTS OF CASH AND IN-KIND DONATIONS***

22 Memorial gifts of cash and in-kind donations are considered to be special gifts of
23 remembrance. Such gifts will be directed to the Endowment Fund unless otherwise specified
24 by the donor. Where the value of the gift at the time of receipt is at least \$25,000, a fund for
25 the donor may be established.

26 ***BEQUESTS***

27 All bequests received will be placed in the Endowment Fund, unless otherwise specified by
28 the donor, according to the policies and procedures of the Oregon Community Foundation.

29 If the bequest involves securities, real estate, or personal property, the FRLF will follow the
30 appropriate policies of the Oregon Community Foundation for those items.

31 The FRLF will be an eager and active beneficiary of any pending distribution from

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1 testamentary gifts, either from estates or trusts. Staff will develop procedures and check lists
2 to ensure that the FRLF's interests are being considered early in the settlement process.

3 Professional advisors will be brought in at the earliest possible date if early examinations of
4 the estate or trust assets to be distributed indicate that they may not be acceptable to the FRLF
5 or the OCF.

6 ***LIFE INSURANCE***

7 In order to receive a gift of a life insurance policy, tax deductible by the donor during his/her
8 lifetime, the FRLF must be named the beneficiary and as the owner of the policy. Donors
9 should be advised to contact their insurance company or agent to transfer the ownership and
10 beneficiary designation. Any such transactions would be managed through and according to
11 the policies and procedures of the Oregon Community Foundation.

12 Single premium and short-term premium plan policies are also very favorable. Donors should
13 be advised to contact their insurance agent and the Oregon Community Foundation to identify
14 the policy suitable to their situation. Donors may, in appropriate circumstances, be encouraged
15 to name the FRLF owner and beneficiary of the policy, to maximize the donor's the donor's
16 charitable tax deduction and to protect the FRLF's long-term interest. The FRLF may accept
17 the donor's gifts with which to pay policy premiums on policies having up to a five-year
18 payout. Donors should be advised that any time they cease providing such gifts, the Oregon
19 Community Foundation will determine whether to continue the policy or surrender it for cash
20 value. It is also acceptable to name the FRLF as the beneficiary of a life insurance policy for
21 receipt upon a donor's death.

22 The insurance industry can be very creative in the use of marketing life insurance programs to
23 provide large benefits for charitable organizations. Some of the techniques may involve co-
24 payments for investment purposes, outright purchases of insurance or partial assignments of
25 life policies. These more sophisticated uses of life insurance should be carefully reviewed on
26 an individual basis as to the spirit of the gift, insurance company strength, credited
27 interest/dividends, and financial commitment by the FRLF.

28 ***RETIREMENT PLANS***

29 Gifts of outright cash and marketable securities are encouraged and are acceptable through
30 donor retirement programs. Closely held stock and/or personal property held in retirement
31 account must adhere to the policies for those types of assets.

32 ***GIFTS OF NON-CASH PROPERTY (SECURITIES, REAL ESTATE, AND OTHER*** 33 ***PERSONAL PROPERTY)***

34 **Stocks and Bonds**

35 Gifts may be made in the form of publicly traded securities. Examples include stocks, mutual
36 funds, municipal and corporate bonds, treasury bill and notes, warrants, stock options, and
37 stock appreciation rights.

38 Titles of securities deemed to be readily transferable present no particular problem to the

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1 FRLF. There may be some limitations on the transfer of warrants, stock options, and stock
2 appreciation rights which should be reviewed on a case-by-case basis through the expertise of
3 the Oregon Community Foundation.

4 **Real Estate**

5 Real estate can include personal residences, rental properties/office buildings/land, leasehold
6 interests, and other structures, e.g., warehouses as deemed appropriate by the Oregon
7 Community Foundation. Gifts of real estate may be accepted on a case-by-case basis. Due to
8 the complexity and potential size of this type of gift, it would likely create a permanent
9 designated endowment fund to benefit FRLF. OCF does not manage property.

10 Gifts of real estate presented to FRLF must meet all city, county, state, and federal
11 environmental statutes regarding hazardous or toxic waste conditions. In addition, all gifts or
12 real estate must be free of city, county, state, or federal restriction covering threatened or
13 endangered species or other limiting regulations regarding future land use.

14 The property may be subject to liens and require interaction with financial institutions, the
15 FRLF, through the Oregon Community Foundation, will obtain the title features for review so
16 as to limit any possible liability in the future. In addition, there may be pre-conditions, which
17 exist on a particular real estate title and we must identify potential liens and be assured that we
18 have proof of a clean transfer of title and no unusual restriction placed by the donor.

19 The following issues will be addressed on a case-by-case review of potential real estate gifts
20 under the auspices of the Oregon Community Foundation:

- 21 • To the extent the real estate is subject to any mortgages or money purchase contracts,
22 i.e., is the mortgage or contract assumable and/or assignable?
- 23 • Does any existing mortgage or contract allow additional mortgages or liens?
- 24 • Does acceleration in payment of principal (a "due on sales clause") take effect upon
25 transfer of the property or the assumption of the property's mortgage?
- 26 • Is a prepayment of all or part of the contract allowed without a prepayment fee or
27 penalty?
- 28 • Which of the following fees will require payment upon transfer of the property, and
29 who will be responsible for payment of: transfer fee; assumption fee; recording fee;
30 termination fee; broker fee?
- 31 • What is the location and condition of the property? Are there any security problems?
- 32 • How salable is the property? How closely will the sale price relate to the appraisal
33 value?
- 34 • If there is not an active real estate market for the property, does the Oregon
35 Community Foundation want to take on management of the property for the FRLF?

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1 The OCF may require the following be provided from the donor prior to acceptance of a gift
2 of real estate:

- 3 • Written statement from donor outlining purpose of gift
- 4 • Map showing location of property
- 5 • Legal description of property
- 6 • Proof of ownership, i.e., deed
- 7 • Current survey of subject property
- 8 • List of improvements
- 9 • Copies of current leases, if any
- 10 • List of encumbrances, including deed restrictions or covenants, liens and current
11 expenses, if any
- 12 • Proof of payment of taxes and association fees, if any
- 13 • Commitment for title insurance
- 14 • Recent appraisal and documentation to meet IRS regulations.
- 15 • A copy of a professional study required by all applicable statutes covering possible
16 waste disposal sites or spills of hazardous materials on the property
- 17 • A copy of an environmental impact statement as required by all applicable statutes

18 The FRLF, through the Oregon Community Foundation, will retain competent and impartial
19 real estate agents and/or counsel to review the property and advise the Board of Directors on
20 acceptability of the gift.

21 Following the review of the information provided by the donor and counsel, a decision to
22 accept or reject the proposed gift will be based on the potential of the property to produce an
23 acceptable return or to contribute directly to approved programs of the FRLF in light of:

- 24 • Holding costs of every type
- 25 • Holding period
- 26 • Donor restrictions
- 27 • Property valuation
- 28 • Management requirements

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- 1 • Type of property interest being given

2 In summary, a review of each proposed gift parcel of real estate by the FRLF through the
3 Oregon Community Foundation is essential.

4 **Other Personal Property**

5 Potential contributions include art collections, antiques, jewelry, airplanes, automobiles, boats,
6 and other vehicles. In most cases, title can be obtained with few limitations. However, the
7 property should be reviewed for any lien or collateral claims against it. The Board of
8 Directors, through the Oregon Community Foundation, and the donor should agree to
9 arrangements for satisfaction of such claims prior to acceptance of the gift.

10 The IRS requires the donor to provide a fair market valuation of a gift of personal property.
11 The Oregon Community Foundation may require an appraisal by a qualified independent
12 appraiser. Donors will be advised to obtain appraisal documentation of fair market of
13 property. The Oregon Community Foundation should review valuation and marketability of
14 property gifts on a case-by-case basis, prior to gift acceptance by the Board of Directors.

15 ***GIFTS OF SPLIT INTEREST***

16 All split interest gifts, including charitable remainder and lead trusts and life estate with a
17 remainder to the FRLF will not be accepted without review by legal and financial counsel for
18 the Oregon Community Foundation according to its standard policies and procedures. Life
19 estate gifts are not generally accepted.

20 ***GIFT PLANNING ARRANGEMENTS AND VEHICLES***

21 **Living Trusts**

22 A revocable living trust in an agreement entered into by a person or persons whereby assets
23 are transferred into this trust and the person or persons retains the right to terminate the trust at
24 will. A charitable organization can be named a beneficiary of a revocable trust. Where the
25 FRLF is a beneficiary of revocable trust gifts, the same basic guidelines as with testamentary
26 trusts are important considerations. The Oregon Community Foundation, following the
27 guidelines established herein for these types of gifts will also review real estate and personal
28 property gifted through a revocable trust for acceptance. OCF does not act as trustee for living
29 trusts.

30 **Charitable Lead Trusts**

31 Charitable lead trusts are agreements to pay the income from an annuity or unitrust from
32 dedicated assets to one or more charitable organizations for a set number of years. After such
33 term, the trust assets are distributed to a non-charitable entity, often the donor, a member of
34 the donor's family, or other named heir.

35 **Charitable Remainder Trusts**

36 Charitable remainder trusts (CRT) are irrevocable agreements to pay the remainder of trust
37 assets to a charitable organization after the death of one or more named annuitant or unitrust
38 beneficiaries. An annuity trust provides a fixed dollar amount to the beneficiaries while a

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1 unitrust pays a fixed percentage of the annual value of the trust fund. The actual payout will
2 fluctuate with the annual valuation of the trust.

3 Cash and marketable securities are preferred assets for funding charitable remainder trusts
4 established with the FRLF as a remainder trust beneficiary. Real estate may also be used to
5 establish a trust. All of the policies regarding real estate gifts should be followed and review
6 of each case is important.

7 The FRLF will welcome assignment as beneficiary of a charitable remainder trust, but will not
8 serve as trustee.

9 The remainder of a CRT of charitable gift annuity (CGA) will create a permanent addition to
10 the endowment fund at OCF. These funds will pay an annual distribution amount in
11 accordance with OCF's spending policy but will not be eligible for distributions beyond the
12 annual amount.

13 **Charitable Gift Annuities**

14 Charitable gift annuities are gift arrangements that return income to one or more recipients for
15 life. Such gifts can be accepted in the name of the FRLF only according to the policies and
16 procedures of the Oregon Community Foundation. An annuity trust with an outside trustee is
17 an acceptable alternative to a gift annuity agreement.