



FIDUCIARY POLICIES AND PROCEDURES

1. Accounts Payable

Acceptable invoices received by end of business on any Monday will be paid and mailed by end of business on Friday. "Acceptable invoices" must be signed and approved by authorized signatories, and accompanied by supporting receipts. It will be the responsibility of each project coordinator to submit a completed IRS form W-9 for each vendor. St. Croix Foundation (SCF) will make every effort to keep any delay to a minimum. Expense reimbursements payable to any individual needs to be approved by a second party, usually either the Project Director or an Advisory Committee member.

2. Draw Requests

It is the express responsibility of the Project Director to prepare and forward all programmatic draw requests for a project to SCF for signature and/or mailing.

3. Cash Advances

Under no circumstances does SCF advance money to projects. Deposited funds must be cleared by the bank prior to any requested draw, which may take up to two weeks.

4. Employees and Independent Contractors

SCF does not allow projects to pay individuals who satisfy the IRS definition of employees as contractors. SCF management is available to discuss employee vs. contractor classification issues with projects. Contracts with Independent Contractors must be approved by SCF management in advance. Projects must get prior approval from SCF management before changing an individual's status from employee to independent contractor.

5. Payroll

The payment of discretionary bonuses is expressly prohibited. SCF management is available to discuss incentive compensation arrangements with projects to help avoid conflicts with regulatory agencies.

6. Grants, Awards, and Scholarships Made

For any grants, awards, or scholarships made by a project, SCF management requires a copy of the signed grant agreement along with a completed check request form. SCF's Executive Director's signature is required for amounts over \$5,000. If the grant is made to an organization that is not a 501 (c)3 charity that SCF currently lists in its database, additional paperwork will be required. Forms and procedures are subject to the Executive Director's review.

7. Grants Received

SCF's Executive Director must co-sign all original grant agreements and be copied in advance on all progress and final report submissions. The preparation of grant reports is the responsibility of the project. Grants involving government or public agency monies have very heavy reporting and auditing requirements that a project must discuss in advance of submission.

8. Donations

SCF will accept, process contributions to each project. However it is the responsibility of the Project Director to acknowledge and issue receipts for tax deductions. Donations should be made payable to "The St. Croix Foundation", and should indicate in the memo section of the check, the name of the project.

It is not the SCF accounting staff's responsibility to meet with a project's donors and walk them through the paperwork. SCF management will work with projects coordinators to educate them on the necessary forms to liquidate a non-cash gift. Stock gifts can only be made through the SCF's designated broker.

SCF Management does not disclose publicly the identity of donors. SCF recommends that projects make no external disclosure of a donor's identity without the donor's permission.

9. Credit Accounts and Other Liabilities

Project Directors may not incur debts or liabilities beyond the project's ability to pay; individual Project Directors are personally liable for any excess. A project's ability to pay is measured strictly by its cash balances, without including anticipated grants or contributions.

10. Fundraising Activities and Events

Fundraising activities are very labor intensive to administer. SCF management requires advanced notice of any fundraising events. A copy of all mailings and solicitations, including grant proposals, must be approved by SCF management in advance of mailings, submissions, or other distributions. **SCF does not accept cash under any circumstances.**

11. Financial Statements

SCF management will provide a statement of quarterly activity and a detailed trial balance within 30 days of each month end. Any corrections to the project's accounts must be requested within 30 days after receipts of that statement.

12. Multiple Funds

SCF has the ability to set-up cost centers within a fund. SCF also has the ability to set-up multiple funds for a project. In situations where projects need multiple funds on the general ledger, SCF management is available to advise on inter-fund transfers to help compliance with charitable trust rules.

13. Board/Advisory Committee

Each project will need to maintain a current listing of the names, addresses, and phone numbers of all members of a project's Board/Advisory Committee. Committees will be provided with standard Articles of Association to govern their affairs and their legal relationship to SCF. Each project should forward a copy of the Board/Advisory Committee roster and any bylaws, procedures, or other governing documents.

14. Administrative Fees

Except as stated below, SCF will charge each project 5% of its gross receipts as an administrative fee. Additional professional fees and any other out of pocket costs incurred by SCF may be charged against the Fund's balance.

The foregoing rate does not apply to receipts attributable to grants for projects with extensive reporting and tax requirements that are the responsibility of SCF. We reserve the right to increase administrative fees for such additional services.

In addition to the administrative fee on gross receipts, SCF will retain all interest earned by a project's funds on deposit.

15. Insurance Provided by SCF

SCF requires that all Projects retain general liability insurance with the Foundation listed as a named insured.

16. Lobbying

Projects are prohibited from excessive lobbying, or any other activities that would jeopardize SCF's charitable tax-exempt status. SCF has the right to determine, at its sole discretion, what constitutes excessive lobbying by a project, or what activities jeopardize SCF's tax-exempt status. All lobbying plans and expenditures must be reported to SCF management.

17. Sponsor Identification

All project letterheads and external communications must include the identifying line, "A project of the St. Croix Foundation."

18. Amendments

These policies may be amended from time to time by SCF

19. Acknowledgment

I have received, understand, and agree to the foregoing sponsorship policies of the Saint Croix Foundation for Community Development, on behalf of my project and its Advisory Committee. *(Please provide the requisite signatures below and return this page to SCF. You may retain a copy of this acknowledgment page for your records.)*

(Advisory Committee Chair)

(Project Name)

Date

And

(Program Director)

(Project Name)

Date