

**The Arts and Recreation Foundation of Overland Park**  
**FINANCIAL POLICY and PROCEDURES MANUAL**

**BACKGROUND**

The Arts & Recreation Foundation of Overland Park (ARFOP) is dedicated to the enrichment of the community through support of the arts, the Deanna Rose Children's Farmstead and the Overland Park Arboretum and Botanical Gardens. The Board of Trustees has authorized the President and/or Treasurer to act on the Foundation's behalf regarding the implementation of this investment process. The Foundation is a tax-exempt 501 (c) 3 entity.

The policies and procedures contained herein are intended to:

- Protect the assets of the Arts & Recreation Foundation of Overland Park
- Put in place basic accounting, billing, and cash control policies and procedures
- Ensure the maintenance of accurate records of the organization's financial activities
- Create a framework for operating standards and behavioral expectations
- Ensure compliance with all federal and state procedures and reporting requirements

This Financial Policy and Procedures Manual addresses:

- Internal controls and reporting
- Investments
- Fundraising
- Roles and Responsibilities
- Operating Guidelines

**BUDGETS**

1. Budgets provide a standard by which to measure performance, encourage planning, and allocate resources in accordance with funding source requirements.
  - Budgets should use reasonable assumptions of income and expenses. Budgets should lead to the accumulation of reasonable reserves, which can be used to ensure cash flow over time.
  - The organization budget is prepared by the Executive Director, in consultation with the Finance Committee, beginning no later than September of every year.
2. Procedures
  - Budgets are approved by the Executive Director and Executive Committee prior to submission to the Board of Directors for formal adoption.
  - The Executive Director will submit an annual organization budget to the Board of Directors for their approval no later than December.

**FINANCIAL RECORDS AND REPORTS**

3. The organization will employ a regular process for assessing the status of organizational finances and assets. The Board of Directors and Management Team will ensure that timely and accurate financial information is available, understood, and used to guide decision-making.
  - The fiscal year for the organization will be January 1 – December 31.
  - The financial records of ARFOP will be maintained using the accrual basis of accounting.
  - Annual budgets will be prepared by the Executive Director and the Executive Committee and will be approved by the Board.
  - A Chart of Accounts will be used to code receipts and disbursements to the proper accounts to enable proper tracking.
  - The bookkeeper will reconcile the bank statement with bookkeeping records monthly.
  - At a minimum, the bookkeeper will prepare the following monthly financial reports for review by the Executive Director and Executive Committee: Balance Sheet, Income Statement, Budget-to-Actual comparison, and Cash Flow Report.
  - The Board of Directors will review a budget-to-actual presentation and financial report prepared by the Executive Director and Treasurer at every meeting. Any budget variances above 10% will be explained in writing.

## **BANKING**

4. ARFOP funds will be maintained in financial institutions that provide deposit insurance to the maximum level available. Balances will be kept at or below the insured limit to the extent practical and monitored monthly. The Finance committee will be made aware of any exceptions outside this guideline.
5. An Operating Checking Account will be maintained for day-to-day receipts and expenses. If excess funds above what is needed for daily operations become available, the ED will recommend placement in other types of bank accounts that maximize earnings opportunities while providing insurance coverage and flexibility based on upcoming needs of the organization.
6. For longer-term placement of funds, the ED will recommend placement in other investment vehicles to achieve long-term goals of the organization. See Investment Policy.

## **DEPOSITS**

The Board of Directors shall designate the financial institution(s) at which all ARFOP funds are deposited. Donations, admissions, registrations and other payments shall be directed to:

**ARFOP**  
**P.O. Box 26392**  
**Overland Park, KS 66225**

7. Donor-designated funds for a specific Friends group and funds received as a result of membership payments, special event revenue (sponsorships, admissions, related income, etc.), special project solicitations undertaken by the Friends group, commemorative gifts and merchandise sales shall be deposited in the appropriate Friends group accounts. When making cash deposits:
  - Two persons shall verify the amount of all cash deposits.
  - Obtain a receipt from the teller.
  - Immediately provide receipt and an explanation of the source of the funds (donation box, event cash, etc.) and any restrictions concerning its purpose to the bookkeeper. The person making the deposit should sign this explanation.

## **EXPENDITURES**

8. The Board of Directors shall delegate the payment of expenditures to the bookkeeper, who shall be authorized to make payments by other approved means on behalf of ARFOP.
9. The following officers and agents of the foundation shall also have the authority to sign checks or make payments by other approved means on behalf of ARFOP:
  - Executive Director
  - President of the Board
  - Treasurer of the Board
10. The Executive Director oversee the bookkeeper and regularly monitor the bookkeeper's adherence to the procedures outlined in this policy.
11. A person independent of the checking process; i.e. not a check signor, shall be assigned or hired to review and reconcile the ARFOP checking accounts monthly. This person should receive the bank statements directly from the bank unopened.
12. The bookkeeper shall make no payments without prior authorization as outlined in this policy.
13. Requirements for authorization to pay:
  - The ED provides the bookkeeper a written request, which includes an authorizing signature along with supporting receipts or other documentation, or an invoice with authorization to pay.
  - Reimbursement requests and authorizations to pay shall be on a "Request for Reimbursement/Payment" form (sample attached).
  - Recurring payments (phone bill, wages, employment taxes, etc.) may be paid with a blanket authorization
  - The person approving an expense must be independent of the person requesting the payment or reimbursement.

## **CONTRACTS**

14. The following members of the Board of Directors and agents of the foundation shall have the authority to enter into and sign contracts on behalf of ARFOP with the restrictions cited:
  - President of the Board

- All contracts encumbering the Foundation to payment of \$20,000.00 or more shall require the signature of the President of the Board.
- Any contract signed by the President of the Board encumbering the Foundation for \$20,000.00 or more shall require the prior approval of the Board of Directors.
- Executive Director
  - The Executive Director shall have the authority to sign contracts that encumber the Foundation for payments of less than \$20,000.00.

#### **CREDIT CARDS**

15. The Board of Directors shall authorize credit card use by the Executive Director and team. The credit limit on each card shall be determined by Executive Director. The Board of Directors shall have the authority to rescind the privilege of using these credit cards at any time for cause.

#### **ANNUAL AUDIT**

16. The Board of Directors shall annually engage an independent Certified Public Accountant to audit the financial statements and accounts of the Foundation for the purpose of securing an opinion as to the accuracy of such statements and accounts.

#### **IRS 990 PREPARATION**

17. The Executive Director and Treasurer shall annually engage an external CPA firm or individual will prepare the organization's annual Form 990 for submission to the IRS
  - The Executive Director and Treasurer will oversee preparation of the form, with the bookkeeper/accountant
  - The Board will review and approve the form before submission to the IRS

#### **EVENT CASH CONTROL**

18. ARFOP is committed to utilizing best-business practices for cash (term refers to coinage, currency, checks, money orders and credit card transactions) control at special events. The Executive Director will provide procedures and Cash Control documents to reference.

**Investment Policy Statement**  
**The Arts & Recreation Foundation of Overland Park**

***This investment policy statement should be reviewed and updated at least annually.***  
***Any change to this policy should be communicated in writing on a timely basis to all interested parties.***

**OVERVIEW**

ARFOP desires the portfolio generate reasonable returns while maintaining a moderate position to maintain assets. The portfolio is moderate in its allocation. The portfolio will be diversified across multiple asset classes. The portfolio design can consist of equity and bond no load (and/or institutional class) mutual funds, Exchange Traded Funds (ETFs) and other similarly structured products. This covers managed investment accounts; for other banking relationships, see Financial Policy.

**PURPOSE**

The investment policy is the cornerstone of the managed investment process:

1. It establishes the criteria for matching long-term objectives to an appropriate investment plan.
2. It provides a frame of reference that will help keep ARFOP and their Investment Advisor focused on long-term objectives. This focus is especially valuable during periods of market volatility when there may be a temptation to react to short-term factors.
3. It establishes the criteria against which progress can be measured.
4. It establishes criteria to select, monitor, evaluate and compare the performance of money managers on a regular basis as agreed upon between ARFOP and the Investment Advisor.
5. It sets forth an investment management structure that includes various asset classes, asset allocation and acceptable ranges that, in total, are expected to produce an appropriate level of overall diversification and total investment return over the investment time horizon.
6. Complies with all applicable fiduciary, prudence and due diligence requirements experienced investment professionals would utilize, and with all applicable laws, rules and regulations from various local, state, federal and international political entities that may impact your investable assets.

**INVESTMENT OBJECTIVES**

The objective for the Moderate strategy is to provide long-term capital appreciation through a combination of growth and income while optimizing returns given an investor's ability to withstand short-term market fluctuations. This investment policy describes the prudent investment process the Investment Advisor deems appropriate for The Arts & Recreation Foundation of Overland Park's situation.

**Return Requirements**

The return objectives follow these guidelines:

**Return focus:** The Arts & Recreation Foundation of Overland Park desires to achieve long-term total returns that are in excess of average returns for a Moderate portfolio. A Moderate portfolio is defined as consisting of the following allocations to the broad asset classes listed below:

Investment Grade Bonds	60%
U.S. Large Company Stocks	30%
U.S. Small Company Stocks	5%
Foreign Stocks	5%

**Relative to inflation:** Long-term growth of assets above the CPI (consumer price index) is important. In an extended period of rising inflation, a moderate portfolio of this type is at some risk of not keeping pace with inflation.

**Distribution requirements:** Distribution requirements are on an as-needed basis.

### **Risk Tolerance**

The investment time horizon for The Arts & Recreation Foundation of Overland Park is diverse by virtue of having designated longer term invested funds and the balance as shorter term invested funds. The diversified nature of the moderate strategy conforms to both the long-term and short-term requirements of the portfolio.

In managing portfolio risk, the Investor and Investment Advisor's objective will be to meet the performance guidelines outlined below. While there is no guarantee these objectives are always met, they serve as a guide during major market declines.

**Minimum 12-month performance:** Losses of 10% are tolerable. Though it is believed that it is unlikely this minimum loss threshold would be breached in a typical market cycle, losses in excess of 10% do occur, and significant breaches of this loss threshold can be expected during extreme bear markets.

**Minimum 36-month performance:** The probability of a nominal loss over a three-year period is low. The Investor understands this objective cannot be guaranteed.

### **PERFORMANCE CONSTRAINTS**

#### **Liquidity**

Liquidity is the ease (speed) at which assets can be sold at a fair price. The primary reason for maintaining liquidity in the portfolio is to ensure that cash can be raised rapidly to take advantage of new investment opportunities. The following guidelines are appropriate:

**Cash Flow Requirements:** The short-term assets will likely be used to fund projects or meeting operating needs in the near-term.

**Primary Goal:** Growth. Some assets are considered in the accumulation phase but preservation is of significant importance.

**Allocation Requirements:** Illiquid investments are not used in this strategy.

#### **Time Horizon**

The time horizon for these long-term invested funds is over 5 years.

### **ASSET ALLOCATION**

ARFOP's investment strategy will involve under and overweighting various asset classes based on our assessment of the risk and return potential specific to each asset class at any point in time. The following allocation guidelines are designed to achieve the objectives outlined above. Equity positions may incorporate diversification by market cap and style. The Portfolio will not hold individual stocks or bonds.

<b><u>Asset Class</u></b>	<b><u>Range</u></b>
<b><i>Fixed Income</i></b> <ul style="list-style-type: none"> <li>• Cash</li> <li>• Investment Grade Bonds</li> <li>• Foreign Bond-Emerging Markets</li> <li>• High-Yield Bonds</li> </ul>	<b><u>20-90%</u></b>  0-25% 20-80% 0-25% 0-25%
<b><i>Equities</i></b> <ul style="list-style-type: none"> <li>• Domestic Large-Cap Equities</li> <li>• Domestic Small/Mid-Cap Equities</li> <li>• Foreign Equities-Developed Markets</li> <li>• Foreign Equities-Emerging Markets</li> </ul>	<b><u>10-80%</u></b>  5-30% 0-35% 0-20% 0-15%
<b><i>Alternative Investments</i></b>	<b><u>0-25%</u></b>

### **Rebalancing of Strategic Allocation**

When necessary and/or available, cash inflows/outflows will be used in a manner consistent with the strategic asset allocation of the Portfolio. If there are no cash flows, the allocation of the Portfolio will be reviewed quarterly.

If the Investment Advisor judges cash flows to be insufficient to bring the Portfolio within the strategic allocation ranges, the Investment Advisor shall notify ARFOP's Treasurer and decide whether to effect transactions to bring the strategic allocation within the threshold ranges.

### **DUTIES AND RESPONSIBILITIES**

#### **Investor**

The Investor must provide the Advisor with all relevant information on financial condition, net worth, and risk tolerances and must notify the Advisor promptly of any changes to this information. The Investor should read and understand the information contained in the prospectus of each mutual fund in the Portfolio selected.

The Arts & Recreation Foundation of Overland Park has retained an objective, third-party Advisor to assist them in managing the investments. The Investment Advisor will be responsible for guiding them through a disciplined and rigorous investment process. As a fiduciary to The Arts & Recreation Foundation of Overland Park, the primary responsibilities of The Investment Advisor are:

1. Prepare and maintain this investment policy statement.
2. Provide sufficient asset classes with different and distinct risk/return profiles so they can prudently diversify the Portfolio.
3. Prudently select investment options.
4. Control and account for all investment expenses.
5. Monitor and supervise all investment options.
6. Avoid prohibited transactions and conflicts of interest.

#### **Investment Managers**

As distinguished from the Investment Advisor, who is responsible for managing the investment process, investment managers are responsible for making investment decisions (security selection and price decisions). The specific duties and responsibilities of each investment manager are:

1. Manage the assets under their supervision in accordance with the guidelines and objectives outlined in their respective Prospectus.
2. Exercise full investment discretion concerning buying, managing, and selling assets held in the portfolios. In good faith, the Investment Manager will attempt to correspond with the Executive Board before any major investment modifications are made however this does not override the Investment Manager's discretionary authority.
3. Vote promptly all proxies and related actions in a manner consistent with the long-term interest and objectives of the Portfolio.
4. Communicate to The Arts & Recreation Foundation of Overland Park all significant changes pertaining to the fund it manages or the firm itself. Changes in ownership, organizational structure, financial condition, and professional staff are examples of changes to the firm in which The Arts & Recreation Foundation of Overland Park is interested.
5. Use the same care, skill, prudence, and due diligence under the circumstances then prevailing that experienced investment professionals acting in a like capacity and fully familiar with such matters would use in like activities for like Portfolios with like aims in accordance and compliance with the Uniform Prudent Investor Act and all applicable laws, rules, and regulations.

#### **INVESTMENT MANAGER SELECTION**

The Investment Advisor will apply the following due diligence criteria in selecting each money manager or mutual fund.

1. *Regulatory oversight:* Each investment manager should be a regulated bank, an insurance company, a mutual fund organization, or a registered investment adviser.
2. *Correlation to style or peer group:* The product should be correlated to the asset class of the investment option.
3. *Performance relative to a peer group:* The product's performance should be evaluated against the peer group's median manager return, for 1-, 3- and 5-year cumulative periods.
4. *Performance relative to assumed risk:* The product's risk-adjusted performance (Alpha, Beta and/or Sharpe Ratio) should be evaluated against the peer group's median manager's risk adjusted performance.
5. *Minimum track record:* The product's inception date should be greater than three years.
6. *Assets under management:* The product should have at least \$100 million in assets for equity funds and \$50 million for fixed income funds.
7. *Holdings consistent with style:* The screened product should have no more than 40% of the portfolio invested in —unrelated asset class securities. For example, a Large-Cap Growth product should not hold more than 40% in cash, fixed income and/or international securities.
8. *Expense ratios/fees:* The product's fees should not be in the bottom half (most expensive) of their peer group.
9. *Stability of the organization:* There should be no perceived organizational problems – the same portfolio management team should be in place for at least three years.

#### **CONTROL PROCEDURES**

##### **Performance Objectives**

The Arts & Recreation Foundation of Overland Park realizes fluctuating rates of return characterize the securities markets, particularly during short-term periods. Recognizing that short-term fluctuations may cause variations in performance, the Investment Advisor intends to evaluate manager performance from a long-term perspective.

The Arts & Recreation Foundation of Overland Park is aware the ongoing review and analysis of the investment managers is just as important as the due diligence implemented during the manager selection process. The

performance of the investment managers is monitored on an ongoing basis and it is at the Investment Advisor’s discretion to take corrective action by replacing a manager if they deem it appropriate at any time.

On a timely basis, but not less than annually, the Investment Advisor will meet with The Arts & Recreation Foundation of Overland Park to review whether each manager continues to conform to the search criteria outlined in the previous section; specifically:

1. The manager's adherence to the Portfolio’s investment guidelines;
2. Material changes in the manager's organization, investment philosophy and/or personnel; and,
3. Any legal, SEC and/or other regulatory agency proceedings affecting the manager.

The Investment Advisor has determined it is in the best interest of The Arts & Recreation Foundation of Overland Park that performance objectives be established for each investment manager. Manager performance will be evaluated in terms of an appropriate market index (e.g. the S&P 500 stock index for large-cap domestic equity manager) and the relevant peer group (e.g. the large-cap growth mutual fund universe for a large-cap growth mutual fund).

<b>Asset Class</b>	<b>Index</b>	<b>Peer Group</b>
<b>Large-Cap Equity</b> Blend Growth Value	S&P 500 Russell 1000 Growth Russell 1000 Value	Large-Cap Blend Large-Cap Growth Large-Cap Value
<b>Mid-Cap Equity</b>	S&P 400	Mid-Cap Blend
<b>Small-Cap Equity</b>	Russell 2000	Small-Cap Blend
<b>International Equity</b>	MSCI EAFE	Foreign Stock
<b>Fixed Income</b> Intermediate-term Bond	Barclay Gov't/Credit Intermediate	Intermediate-Term Bond
<b>Money Market</b>	90 day T-Bills	Money Market Database

A manager may be placed on a Watchlist and a thorough review and analysis of the investment manager may be conducted, when:

1. A manager performs below median for their peer group over a 1-, 3- and/or 5-year cumulative period.
2. A manager’s 3-year risk adjusted return (Alpha, Beta and/or Sharpe) falls below the peer group’s median risk adjusted return.
3. There is a change in the professionals managing the portfolio.
4. There is a significant decrease in the product’s assets.
5. There is an indication the manager is deviating from his/her stated style and/or strategy.
6. There is a meaningful increase in the product’s fees and expenses.
7. Any extraordinary event occurs that may interfere with the manager’s ability to fulfill their role in the future.

A manager evaluation may include the following steps:

1. A letter to the manager asking for an analysis of their underperformance.
2. An analysis of the holdings and portfolio characteristics to determine the cause for underperformance or to check for a change in style.
3. Discussion with the manager to gain insight into organizational changes and any changes in strategy or discipline.

The decision to retain or terminate a manager cannot be made by a formula. It is the Investment Advisor's confidence in the manager's ability to perform in the future that ultimately determines the retention of a manager.

### **Measuring Costs**

The Investment Advisor will review with The Arts & Recreation Foundation of Overland Park at least annually all costs associated with the management of the Portfolio's investment program, including:

1. Expense ratios of each investment option against the appropriate peer group. This is not to say that the cheapest option is always the best option. However, an appropriate level of fees will be determined for the value received.

### **Performance Monitoring**

Portfolio appraisals and performance reports are supplied to ARFOP quarterly.

### **INVESTMENT POLICY REVIEW**

The Investment Advisor will review this Investment Policy with The Arts & Recreation Foundation of Overland Park at least annually to determine whether the stated investment objectives are still relevant. Frequent change to the Investment Policy is not expected. In particular, short-term changes in the financial markets should not require adjustments to the Investment Policy.

Note: The Finance Committee is responsible for monitoring, approving the policy and any investments made or changed.

**Arts and Recreation Foundation of Overland Park  
FUNDRAISING POLICY**

**INTRODUCTION**

Adherence to this policy is required of all who are involved in the solicitation of funds for the Arts and Recreation Foundation of Overland Park (ARFOP), including Directors:

- Staff and contract employees
- Friends of Overland Park Arts Advisory Board members
- Friends of the Arboretum Advisory members
- Friends of the Farmstead Advisory Board members
- Fundraising committee members and campaign volunteers and City of Overland Park staff

In addition, all fundraising undertaken for the benefit of the City of Overland Park's cultural amenities shall abide by Addendum 1 (FUND DEVELOPMENT SERVICES) of the Master Agreement for Services between the Arts & Recreation Foundation of Overland Park (ARFOP) and the City of Overland Park (City).

The ARFOP Board of Directors has the authority – per its bylaws and inherent fiduciary responsibilities as the governing body of the Foundation – to remove any volunteer or Foundation employee who violates the duly approved policies of the Foundation including this Fundraising Policy.

**SOLICITATION AND SOLICITATION MATERIALS –**

1. All solicitation materials presented to prospective donors and the public shall clearly identify that funds are being contributed to the Arts and Recreation Foundation of Overland Park, a 501(c)(3) not-for-profit corporation eligible to receive tax-deductible contributions to the full extent of the law.
2. All solicitation materials shall be accurate and truthful and provide.
  - Name of solicitor and whether he/she is acting as a volunteer, an employee or hired solicitor
  - A clear description of the event or project for which funds are being solicited
  - The intended use of the contribution
  - A contact for obtaining further information
  - Proof of eligibility to receive tax-deductible contributions (Tax Determination Letter or W-9)
  - Clear indication if ARFOP is providing any goods or services in exchange for a contribution and the value of those goods or services that are not tax-deductible.

**ROLES, RESPONSIBILITIES AND REPORTING**

3. The ARFOP Development Director shall define and communicate the fundraising roles and responsibilities for:
  - Capital Campaign Chairs and steering committees
  - Special Event Chairs and steering committees
  - The Role of the Board of Directors in Major-Gifts Solicitations and Capital Campaigns
  - The Role of the Executive Director in Major Gifts Solicitations and Capital Campaigns
  - The Role of the Board of Directors in Special Event Fundraising
  - The Role of the Friends Executive Committees in Special Event Fundraising
  - The Role of the Executive Director in Special Event Fundraising
4. ARFOP shall maintain confidential records of all solicitation efforts and results including donor and prospect contact information, pledges, gifts received, and memberships – in a digital donor management system. The Development Director shall be responsible for the maintenance of this database. Full or partial access may be granted to ARFOP staff, volunteers and the bookkeeper for the purpose of entering data, updating record, creating mailing list, monitoring fundraising activities and creating or accessing reports.
5. It is required that representatives of all fundraising efforts – projects, events, campaigns, etc. – provide the Development Director information on the status of their solicitations on a monthly basis. The

Development Director shall utilize this information to coordinate solicitations, minimize the possibility of over-solicitation, and provide the opportunity for assistance with solicitations.

#### **DONOR INTENT**

6. ARFOP/Friends shall use contributions for purposes consistent with the description in the solicitation materials and/or in accordance with the specific written direction of the donor.
  - In the event that ARFOP is unable to use a contribution as stated in the solicitation appeal or in the donor's communication, a representative of ARFOP is required to contact the donor and request permission to apply the gift to another purpose or offer to return the gift.
  - See the ARFOP Gift Acceptance Policy for a description of the written agreements on donor intent required for contributions of \$50,000 or more.

#### **GIFT ACKNOWLEDGMENT**

7. Written, timely and specific acknowledgment of all contributions and membership payments is required. The IRS requires specific acknowledgment of all donations of \$250 or more, but the ARFOP Board of Directors requires acknowledgement of all contributions in accordance with the IRS requirement:
  - Purpose, if restricted
  - Date of receipt
  - Amount received
  - Value of any goods or services being provided in exchange for the contribution
8. It is required that the fair market value of all goods and services given to donors in exchange for a gift (such as benefits associated with a sponsorship) be estimated in good faith and provided to donors in writing.
9. It is required that the Development Director or project chairs provide all donor-mandated documentation – as stipulated in a grant agreement or gift-acceptance agreement – on the progress and completion of a funded project. It is, further, strongly recommended that project chairs regularly contact major donors formally and/or informally with information on the status and/or impact of the funded project.
10. It is strongly recommended that the Development Director, the Executive Director, project chairs, the board of directors, and Friends advisory board members make every effort to communicate with all donors as frequently as possible. These efforts may include telephone calls, emails, written notes, newsletters, annual reports, progress reports, project updates, and invitations.
11. ARFOP/Friends shall not appraise the value of in-kind donations (goods and/or services) nor provide that information to in-kind donors. It is the responsibility of in-kind donors to declare the value of their in-kind donations.

#### **GIFT ACCEPTANCE AND GIFT RECOGNITION**

12. It is required that acceptance of any gift not compromise ARFOP'S ethical standards, financial circumstances, program focus or other interests.
13. It is required that (1) acceptance of any gift is consistent with ARFOP's mission and (2) if applicable, any capital project to be funded has been approved by the City of Overland Park. For each capital project fully or partially funded by ARFOP, no funds can be accepted until the ARFOP president and the mayor of the City of Overland Park have signed a letter of agreement concerning approval of the project and responsibility for the funding of the project.
14. It is required that all gift acceptance and gift recognition comply with the ARFOP Gift Acceptance Policy.
15. It is required that public recognition of all gifts comply with the City of Overland Park Resolution 3571 on naming rights associated with the Farmstead, the Arboretum and art installations.

#### **TRAINING AND SUPERVISION**

16. The Board of Directors delegates supervision of all fundraising activities to the ARFOP Development Committee and the Development Director.
17. The ARFOP Development Committee and the Development Director are required to monitor all board and Friends fundraising and have the authority to ensure that all fundraising activities are (1) conducted in accordance with these policies, (2) are legal and ethical, and (3) use best-business practices.

18. The Board of Directors has delegated the planning and execution of the Friends membership programs, commemorative gifts programs, “grassroots” fundraising efforts, and special event fundraising to the Friends groups. The Friends groups are required to include the Development Director in the planning and execution of all fundraising activities.
19. The Development Director shall provide fundraising training programs and assistance for the Board of Directors, the Friends advisory boards and all other volunteers and staff involved in solicitation of funds from the public.

**FUNDRAISING COMPENSATION**

20. ARFOP/Friends shall not compensate internal or external fundraisers based on a commission or percentage of the amount raised.

**PRIVACY**

21. ARFOP/Friends shall respect the privacy of individual donors.
22. A privacy statement shall be included as part of the ARFOP/Friends website. This policy shall give donors a means by which to “opt-out” of future communication and/or public recognition of a gift.
23. ARFOP/Friends shall honor the wishes of any donor who requests to be anonymous and/or not receive communication from the organization in the form of newsletters and future solicitations.
24. ARFOP shall not provide its membership and donor lists to anyone outside of the organization

We have reviewed the above **FINANCIAL POLICY and PROCEDURES MANUAL**

Signature	Print Name	Date

Signature	Print Name	Date

APPENDIX

- [DEVELOPMENT SERVICES ADDENDUM TO THE MASTER AGREEMENT FOR SERVICES](#)
- [GIFT ACCEPTANCE POLICY](#)
- [EXECUTIVE COMPENSATION POLICY](#)
- [CONFLICT OF INTEREST POLICY](#)
- [DOCUMENT AND RETENTION POLICY](#)
- [WHISTLEBLOWER POLICY](#)