

Ellensburg School District Education Foundation

Monthly Meeting - Wednesday, November 7, 2018 - 6:45am – Palace Café

In attendance

Tor Blaisdell
Michelle Cawley
Amy Cziske
Deborah Gauck
Jinger Haberer
Mike McCloskey

Lowell Murphree
Brandon Robertson
Maureen Rust
Dan Shissler
Dick Wedin

Excused absences

Mary Gordon
Kirk Holmes
Noreen Norfleet

Meeting was called to order - 6:45 am by President Mike McCloskey

Minutes approval

Dick made a motion to accept the minutes, Michelle seconded. Motion carried.
(Note: subsequent to meeting secretary noted a typo in the date and will correct that to reflect the year 2018.)

Treasurer's report (Dick)

Account balances:

Checking \$35,912.59 (11/6/18)
Unrestricted \$33,142.40*
Restricted \$54,405.18*
Edward Jones \$1,003,854.84*

*as of 9/9/18

The checking account balance includes deposits from 2019 Superbowl Warmup sponsors. The 2018 mini-grant allocations have been paid out with the exception of robotics (no additional bills have been submitted).

Superintendent's report (Jinger)

- Jinger clarified the details regarding new district fundraising policies. An additional policy has been created to allow for student groups to raise money to donate to charitable causes.
- At the time of the meeting, election results indicated the school bond falling short of the needed 60% majority. If it does not pass this time, the district will regroup. Jinger thanked all for their efforts in getting the word out, and discussed future strategies the district is considering to close funding gaps.
- At her meeting with school principals, Jinger will request they act as point persons regarding parent groups to facilitate dissemination of information.

Correspondence – none reported.

Committee Reports/Activities:

- Mini-grants (Michelle): She has received around 17 applications, and will distribute them next week for review by board members and discussion at the December 5 meeting.
- Superbowl Kickoff (Mary): None reported.
- Communications (Kirk): None reported.

- Caring Cupboard (Mary): None reported
- Scholarships (Mike): Low turnout at scholarship night October 24.
- Mailing lists (Noreen): She is still compiling more accurate mailing lists for ESDEF mailings and appeals.
- Tile Wall (Lowell): Saw some potential substitutes/solutions during recent road trip, such as engraved glass overlaid on top of brick.
- Parent/Umbrella Groups (Maureen & Tor): Waiting for umbrella group discussion.
- Nominating committee (Brandon): He has names of seven potential board members and will post a recruiting notice in the Daily Record.
- Kittitas County Youth Awards (Mike): Progressing
- Website (Mary): Please take a look at the new site and forward suggestions to Mary.
- Bylaws and Mission Statement Updates (Amy): Postponed.
- Grant writing (Deb): Five people attended the most recent grants workshop. This one was aligned specifically to the mini-grant application process.

Old Business

- Deb reported on grants recently obtained by the school district (attached). She noted the Community Prevention and Wellness Initiative (~\$640,000) will be able to address the needs noted in the Recovery School grant proposal that was not funded.
- The Early Learning Facilities K-12 district grant is conditional upon the passing of the bond, now or in the future.

New Business

- Smithson scholarship (Mike): Craig Smithson indicated that he will turn this scholarship (funding by a \$100,000 endowment) over to ESDEF.
- Sponsorship and insurance agreements update – Dick distributed a summary of the current sponsorships/insurance agreement, along with considerations and options for moving forward (attached), and provided detailed information. Mike turned the meeting over to Michelle, as he had to leave.

Following discussion, Michelle made a motion to adopt Option 1: Discontinue issuance of Sponsorship Agreement. Terminate all existing agreements effective June 30. Lowell seconded. 2 voted in favor, 3 voted no, 2 abstained. Motion did not pass.

Dick made a motion to adopt Option 3: Revise current sponsorship agreement. Accept Sponsorship Agreement requests on a case-by-case basis. Maureen seconded. 5 voted in favor, 3 abstained. Motion passed. Jeff Slothower will be requested to review and possibly revise the current proposed language from a legal standpoint.

Dick made a motion to increase the insurance premiums to \$150 per year, Lowell seconded. The motion passed.

The meeting was adjourned by Vice President Michelle Cawley at 8:20 a.m. The next regular meeting of the ESDEF is scheduled for Wednesday, December 5, 6:45am, Palace Café.

Submitted by Maureen Rust, Secretary

Sponsorship & Insurance Agreements: Review 2018
November 3, 2018

PART A: SPONSORSHIP AGREEMENTS.

Current Situation.

Existing Foundation Agreements.

- 6 schools based signed agreements. (*EHS FBLA, EHS Band Parent Group, Inspired Families, Lincoln Parent Council, Morgan Middle School Parent Group, Mt. Stuart Parent Group*)
- Term: Continuous and on-going until 30 day notice of termination. (*termination is effective June 30*)
- Senior Party agreement. (*Term: annually issued, co-signed on checking account*)
- 1% administrative fee based on prior year fundraising.
- Fundraising report annually due to Foundation **June 30**

Potential Agreements.

- 2 requests to enter into a Foundation agreement. (*EHS Girls Basketball Parent Group, EHS Fast pitch Parent Group*)
- Demise of EHS Booster Club. Currently 13 clubs, 5 carry money balances with Booster Club.

School Board Fundraising Policies (policy & procedures 4120 & 3530) Existing.

- At EHS annually file Parent/Booster Group Charter with Activity Director, Application Due **October 1**.
- Charter Requirements:
 - Articles of Incorporation filed with Secretary of State
 - Current list of Officers
 - IRS Tax Exemption determination letter (501 c 3)
 - Washington State UBI#
 - Copies of income tax reports
 - List of bank accounts
 - Health cards if working with food
 - Current Organization Bylaws
 - Business License (if retail sales are held)
 - Certificate of Insurance
 - Annual renewal of Secretary of State Registration
 - Booster/Parent Fundraising Report due by first week in **May** to Activities Director
- At Elementary schools: Mt Stuart is developing a process as a fundraising template for other elementary schools to consider.
- Morgan (*not sure what the process is*)

School Board Charitable Fundraising Policy Through Associated Student Body. (Just passed)

- Principal approval
- Proceeds to bona-fide non-profit organization: 501 c 3
- Held by District
- Expenses incurred by District deducted
- Require ASB accounting & fundraising requirements.
- 3 fundraisers per year limit at EHS, 1 fundraiser per year for all other buildings.
- Policy number and procedure to be determined.

Current Options for Booster/Parent Club/Groups

There are five existing options for Booster/Parent Groups for fundraising in the Ellensburg School District:

1. File their own 501 c 3 with IRS.
 - a. 1023EZ <\$50,000, cost to file \$275, E-990 filing with IRS
 - b. 1023 >\$50,000, cost to file \$600, E-990 or 990EZ or 990
2. Go Through Associated Student Body (ASB)
3. PTA
4. Education Foundation
5. Go Rogue

Option 1. File as a separate 501 c 3 depending on anticipated annual income. No Foundation involvement other than perhaps annual Liability Insurance agreement.

Option 2. May require Foundation involvement through Sponsorship agreement (501 c 3 designation).

Option 3. No Foundation involvement.

Option 4. Go through Foundation for 501 c 3 designation: current agreement or agreement revision.

Option 5. No Foundation involvement, including Liability Insurance. All risk is carried by organization, volunteers, and officers. District will not accept any donations from Foundation or otherwise.

Options for Foundation Consideration

Option 1: Discontinue issuance of Sponsorship Agreement. Terminate all existing agreements effective June 30.

Option 2: Continue with present Sponsorship Agreement. Accept Sponsorship Agreement requests on a case-by-case scenario.

Option 3. Revise current Sponsorship Agreement. Accept Sponsorship Agreement requests on a case-by-case scenario.

Foundation Discussion.

Option 1. Major change for Parent Groups who rely on Foundation's 501 c 3 designation.

- Require groups to file own 1023 form with the IRS. (District policy requires all groups to be a 501 c 3.)
- Could impact group relationship with Foundation.
- Financial risk to Foundation: **low** since we no longer allow groups to use Foundation's EIN number on financial accounts or use for fundraising.

Option 2. Continue with current Sponsorship Agreement.

- Present language on 1% Administrative Fee (subsection C1) has been an issue in receiving reports and prompt payments.
- No uniformity in financial reporting (district & Foundation) or reports.
- Present language does not require groups who have their own financial accounts (primarily checking) to have Foundation as a co-signature on the account (required to allow Foundation to access group checking account for compliance if needed). Currently only require Senior Party to have a co-signed account...due to an "over spent" issue by officers a few years ago.
- Financial risk to Foundation: moderate to high depending on volunteer turnover, volunteer experience & skill level, and group compliance with district ASB requirements and district fundraising policies and procedures.
- No provision for periodical agreement review by either party, or amendments.

Option 3. Revise current Sponsorship Agreement.

1. Change term of the Agreement from "continuous and ongoing" to 3 years.
2. Administrative fee of 1% of Gross Income to a fix annual fee of \$300 per year. (Fee set to encourage groups to file their own 1023EZ for 501 c 3 designation.)
3. Annual Financial/Fundraising report due to Foundation on or before July 30.
4. Require groups to have Foundation co-sign on all financial accounts including checking.
5. Groups annually file and have on record a current Charter with the district.
6. Have an Exhibit A to the Agreement a Foundation Fundraising Report annually submitted to the Foundation.

Part B. Liability Insurance.

Current Situation.

Existing Liability Insurance Policy & Agreements.

- 10 agreements. (*EHS FBLA, EHS Band Parent Group, EHS Band Parent Group, Senior Party, EHS Booster Club, Ellensburg Bulldog Grid Iron Club, Kittitas County Early Learning Coalition, Kittitas Valley Music Education Parent Group, Lincoln Parent Council, Morgan Middle School Parent Group, Mt. Stuart Parent Group*)

- Insurance Agent: Dan Wareham, Blasingame Insurance, Spokane; annual premium is \$900.
- Coverage: \$1 million, each occurrence; \$2 million general aggregate.
- Term: Policy annually expires April 13.
- Annual agreements and billings sent mid-March.
- Insurance Premium to groups: \$132 per year-not prorated.
- Letter to Kittitas County Even Center in May listing those groups who have entered into a Liability Insurance agreement with the Foundation (to meet Event Center liability insurance requirements who rent their facilities including the Foundation

Foundation Discussion.

- Continue with Liability Insurance with Associates.
- Increase annual insurance premium to groups from \$132 to \$150 (may adjust depending on insurance premium cost to Foundation).