UNIVERSITY *of* ARKANSAS – FORT SMITH FOUNDATION

Policies and Bylaws Handbook

December 15, 2022

UNIVERSITY of ARKANSAS – FORT SMITH
FOUNDATION

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UNIVERSITY *of* ARKANSAS – FORT SMITH
FOUNDATION

Vision and Mission

of

University of Arkansas – Fort Smith Foundation, INC.

VISION: The University of Arkansas – Fort Smith Foundation, Inc. will develop the resources necessary to advance the University of Arkansas – Fort Smith into a position of national leadership among regional universities.

MISSION: The University of Arkansas – Fort Smith Foundation, Inc. inspires generosity through meaningful, lifetime donor relationships to secure and grow additional resources to support the University in its endeavor to be a nationally recognized regional university.

Values:

a) These resources are administered in a way that engenders continuing trust and commitment from donors and helps the University more effectively fulfill its mission.

b) The Foundation prudently stewards gifts to preserve their value as a major source of consistent, ongoing support to the University.

UNIVERSITY of ARKANSAS – FORT SMITH
FOUNDATION

Bylaws

of

University of Arkansas – Fort Smith
Foundation, INC.

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ARTICLE I
Corporate Name and Offices

The name of the corporation shall be The University of Arkansas – Fort Smith Foundation, Inc.

The principal office of the corporation shall be located at 5210 Grand Avenue, Fort Smith, Arkansas. The corporation may have such other offices as the Board of Directors may determine from time to time.

ARTICLE II
Purpose

The purpose for which the corporation is formed is to solicit, accept, hold, invest, reinvest, and administer any gifts, bequests, devices, benefits of trusts (but not to act as administrator or trustee of any trusts), property of any sort without limitations as to any amount or value, and to use, disburse, and donate the income or principal thereof to the sole benefit of the University of Arkansas – Fort Smith; to promote education and other related activities of the said University; and perform any such acts as may be necessary to carry out the foregoing purposes of the corporation so long as said acts are within the power granted to nonprofit corporations under the laws of the State of Arkansas.

ARTICLE III
Membership

The Foundation's membership shall consist of the members of the Board of Directors. The Board of Directors shall consist of no fewer than nine nor more than 35 members. Board members shall be appointed or elected by a vote of the majority of the members of the Foundation Board to serve 3-year term and are eligible to be reappointed or reelected to no more than two additional 3-year terms, a total of nine consecutive years. A member may be eligible to serve again after a one year absence from the Board. Only members who are serving as an officer of the board or a campaign chair or co-chair at the time when their 3-year term expires can serve more than nine consecutive years. These members may be appointed for additional years until their officer, chair or co-chair obligation is fulfilled.

Two members shall be appointed by the University of Arkansas System observing the same tenure guidelines as other elected directors. All other members shall be elected at the annual meeting. Each member in good standing shall be entitled to one vote on each matter submitted to a vote of the members. The chancellor of the University of Arkansas – Fort Smith will be a non-voting ex-officio member of the Board.

Any member may resign by filing a written resignation with the Secretary. Any member missing three (3) consecutive meetings may be removed by a vote of the majority of the members of the Board at any regular or called meeting. Membership in this corporation is not transferable or assignable. Vacancies shall be filled in the same manner as new members are selected. Vacancies will be filled effective the first of each calendar year unless the Executive Committee requests otherwise. The alternate board members elected by the Committee on Directors will be used to fill vacancies at that time.

Directors as such shall not receive any compensation, but by resolution of the Board of Directors may be reimbursed for expenses paid or incurred in the performance of their duties as Directors.

Upon retirement from the Board of Directors, members may be named Emeritus Members of the Board of Directors.

ARTICLE IV
Meetings

An annual meeting of the members shall be held during the last quarter of each calendar year in Fort Smith, Arkansas, at a time, date, and place set by the Chair. At the annual meeting of the Board of Directors, the Board shall elect members (except for the two members appointed by the University of Arkansas System) and officers as provided in these Bylaws and shall transact such other business as may be brought before the meeting. In the event that directors or officers, or both, are not elected at the annual meeting, either or both may be elected at the next special or regular meeting of the Board of Directors.

Special meetings of the members may be called by the Chair or by any four members of the Board of Directors, but if all of the members shall meet at any time and place and consent to the holding of a meeting, such meeting shall be valid without call or notice, and at such meeting any corporate action may be taken. Such special meetings of the Board of Directors shall be held in Sebastian County, Arkansas, at a time, date, and place designated in the notice of the meeting.

Notice of any special meeting of the Board of Directors shall be given at least two (2) days previously thereto by written notice. Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. The business to be transacted at the meeting need not be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these bylaws.

Written or electronic notice stating the place, day, and hour of any meeting of members shall be sent to each member entitled to vote at such meeting, not less than two (2) nor more than thirty (30) days before the date of such meeting. In case of a special meeting or when required by statute or by these Bylaws, the purpose or purposes for which the meeting is called shall be stated in the notice.

At any meeting of members, a member entitled to vote may vote by proxy executed in writing by the member or by the person holding the member's power of attorney.

For business to be conducted at the annual meeting or any special meeting of the Board, at least one-third of the members shall be physically present, and the number of members in attendance or represented by proxy shall be at least 51 percent of the total membership.

Actions approved by majority vote shall be considered actions of the Board of Directors, unless the action of a greater number is required by law or by these Bylaws.

Online meetings (by e-mail) of the members may be called by the Chair, without notice, for matters which must be decided upon prior to the next scheduled meeting of the Board. This does not preclude the ability of the Board to make decisions by calling a special meeting, by conference call, or by regular postal mail.

In online meetings, the Chair of the Board shall present the motion which must be seconded by a Board member, to the entire Board membership by e-mail for discussion. Discussion of the issue should relate directly to the motion. The Chair may defer the motion to the next regularly scheduled board meeting at any time.

Board members must vote (by e-mail, proxy, or power of attorney) within two (2) business days of the call for vote. The quorum for action by the Board via email shall be 51 percent of the total membership. Actions approved by majority vote shall be considered actions of the Board of Directors, unless the action of a greater number is required by law or by these Bylaws.

The status of all email motions will be recorded in the "Decisions in the Interim" section of the formal board minutes at the next regularly scheduled meeting of the Board.

ARTICLE V
Standing Committees

Operating Committees: Operating committees may be created and abolished by the Chair of the Board. Such committees shall discharge such responsibilities as may be assigned to them.

The presence, in person, of thirty three percent (33%) of the total number of committee members of any operating committee shall constitute a quorum of said committee, and the act of a majority of the voting members present at any meeting shall be the act of committee. Each committee member in good standing shall be entitled to one vote on each matter submitted to a vote of the committee. Any action which might be taken at a meeting of the committee may be taken without a meeting, in an online meeting (by e-mail), if called by the Chair of said committee for matters which, in the Chairs discretion, must be decided upon prior to the Operating Committee's next scheduled meeting. No special notice is required for an online meeting.

Any such online meeting and/or vote shall be conducted in a manner consistent with Article IV of these Bylaws. The Chair may defer the motion to the next regularly scheduled committee meeting at any time prior to the call for a vote.

Except for the Executive Committee, vacancies will be filled effective the first of each calendar year unless the Executive Committee requests otherwise. A committee member replacement fulfills the term of the committee member being replaced; however, a committee member may be appointed by the Executive Committee.

Executive Committee

The Executive Committee shall consist of the Chair of the Board, the Vice Chair, the Treasurer, and the Secretary. The committee shall meet, as necessary, to conduct normal business of the Foundation or to consider matters of policy for referral to the Board of Directors.

The primary charge of the Executive Committee is to serve as an advisor for the Executive Director and the Board Chair to help set board meeting agendas; oversee progress toward goals articulated in board-approved planning documents; handle certain routine business to conserve board meeting time; appoint directors to board committees; recommend a slate of officers at the Annual Meeting of the Foundation Board of Directors; conduct an annual review of conflict of interest disclosures provided by board members; periodically assess how board committees are functioning; and act on other matters assigned or delegated to it by the Board.

The Executive Committee shall conduct an annual review of the Foundation's Bylaws, the Memorandum of Understanding between the University and the Foundation, Code of Ethics, Mission and Vision Statement, Discretionary Funds Policy and the Information Disclosure Policy and submit any recommended amendments to the Board for approval.

All actions of the Executive Committee shall be reported in writing to the directors individually within thirty days after such action is taken or at a meeting of the Board of Directors, if a meeting is held within that period of time.

Committee on Directors

The Committee on Directors shall consist of six (6) to eight (8) members of the Board with the Secretary of the Board serving as chair. The Committee shall meet at least one time per year. Members of this committee shall serve one 3-year term.

The charge of the Committee on Directors is to work with the Chair of the Board and the Executive Director to determine the strategic direction for the Foundation. The Committee shall allow the strategic direction to determine the composition of the membership for the Foundation Board; develop and continually update a network of new director candidates; recommend a slate of new directors to the Executive Committee prior to the annual meeting of the Board; develop and manage an orientation program for new directors; assess director performance; recommend whether or not to nominate sitting directors for an additional three (3) year term; develop and manage training of board members as needed; and develop and manage a program to keep former board members informed and engaged with the work of the Foundation on behalf of the University.

Finance Committee

The Finance Committee shall consist of eight (8) to ten (10) members of the Board with the Treasurer of the Board serving as Chair. The committee shall meet at least semi-annually. Members of this committee shall serve one 3-year term.

The charge of the Finance Committee shall be to provide oversight for all aspects of the Foundation's finances. The committee shall monitor the Foundation's operating budget to fulfill annual and long-range financial needs; work with the Executive Director to establish Foundation financial priorities; work collaboratively with other standing committees on responsibilities related to Foundation finances; ensure the accuracy of the Foundation's financial records and their timely presentation to the full Board; assume responsibility for capital budgets and submit to the full Board for approval; assist in efforts to protect donor rights and privacy; and inform the full Board of the Foundation's financial condition on a regular basis.

Investment Advisory Committee

The Investment Advisory Committee shall consist of eight (8) to ten (10) members of the Board with the Treasurer of the Board serving as the Chair. The committee shall meet at least quarterly between quarterly board meetings. Members of this committee shall serve two 3-year terms.

The charge of the Investment Advisory Committee shall be to establish a clear understanding of the investment goals and objectives of the Foundation's assets; establish an asset allocation policy that is consistent with the risk tolerance of the committee; attend at least quarterly meetings to monitor and evaluate the performance of the Foundation's investment program; select investment managers; manage the Foundation's assets according to industry best practices and applicable laws; and review the Investment Policy annually with the investment staff and investment consultant.

The Investment Advisory Committee shall conduct an annual review of the Investment Policy Statement, Privacy & Security Statement, Refund Policy and Gift Acceptance Policy and submit any recommended amendments to the Board for approval.

Audit Committee

The Audit Committee shall consist of three (3) to five (5) members of the Board with the Vice Chair of the Board serving as a member of the committee. Members of this committee shall serve two 3-year terms.

The committee shall name its own chair. The committee shall meet as needed to fulfill its responsibilities, but will meet at least twice annually: once to review the audit plan and once to review the audited financial statements and the IRS Form 990 and related documents, and approve the audit engagement and special investigations related to fraud, financial irregularities, and internal control failures.

The Audit Committee oversees proper external review of The University of Arkansas – Fort Smith Foundation, Inc. (Foundation) audited financial statements, as well as the Foundation's risk management to include monitoring the internal control environment. The Audit Committee shall also serve as the external point of contact for

whistleblower issues. Each member shall be free of any relationship that, in the opinion of the Foundation's Board of Directors (Board), would interfere with his or her individual exercise of independent judgment.
The Audit Committee shall operate under a charter that shall be reviewed by the committee prior to the annual meeting of the board. The Audit Committee shall also conduct an annual review of the Conflict of Interest Policy, Record Retention and Disposition Policy, and Whistleblower Policy and submit any recommended amendments to the Board for approval.

Development Committee

The Development Committee shall consist of 6-8 members of the board and shall meet quarterly. Members of this committee shall serve one 3-year term.

The primary responsibility of the development committee is to partner with development staff and administration to identify, engage, and solicit prospective donors. Members will also assist with stewardship plans to appropriately appreciate donors for their philanthropy.

Activities may include the periodic review of donor prospect lists with staff, contribution to the breadth of the prospect list, assistance with strategies for engagement, accompanying staff on cultivation and solicitation v isits, learning to understand and articulate fundraising goals and priorities as established by the university, leading the involvement of other board members in the development process, and helping with stewardship and appreciation processes.

ARTICLE VI
Authority

The Board of Directors shall have the power and authority to receive the income, profits, and rents of the corporation; to purchase, subscribe for, retain, invest, and reinvest in securities or other property wherever situated, and whether or not productive or of a wasting nature, and without any requirements for diversification as to kind or amount, which term "securities or other property" shall be deemed to include real or personal property, stocks, common or preferred, or any other interest in any corporation, association, investment trust, or investment company, bonds, notes, debentures, or other evidences of indebtedness or ownership, secured or unsecured; to sell for cash or on credit, convert, redeem, exchange, for other securities or other property, or otherwise dispose of any securities or other property at any time held by the corporation; to alter, repair, improve, erect buildings upon, demolish, manage, partition, mortgage, lease, exchange, grant options to lease or to buy, and sell or dispose of, at public or private sale, and upon such conditions and such terms as to cash and credit as the Board of Directors may deem advisable, real property; to settle, compromise or submit to arbitration, any claims, mortgages, debts, or damages, due or owing to or from the corporation; to commence or defend suits or legal proceedings; to vote by general or limited proxy any shares of stock which may be held by the corporation at any time and similarly to exercise by general or limited power of attorney any right appurtenant to any securities or other property held by them at any time; to borrow money in such amount and upon such terms and conditions as shall be deemed advisable or proper to carry out the purpose and objectives of the corporation, and to pledge any securities or other property for the repayment of any such loan; to employ suitable accountants, agents, counsel, and custodians and to pay their reasonable expenses and compensation; and to make, execute, and deliver all instruments necessary or proper for the accomplishment of the purposes and objectives of this corporation or of any of the foregoing powers, including deeds, bills of sale, transfers, leases, mortgages, assignments, conveyances, contracts, purchase agreements, waivers, releases, and settlements; all in the furtherance and accomplishment of the purposes and objectives of the corporation as set forth in its Articles of Incorporation.

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ARTICLE VII
Officers

The officers of the Foundation shall be a Chair, a Vice Chair, a Treasurer, and a Secretary.

The officers of the Foundation shall be elected at the annual meeting of the Board of Directors. Officers shall hold office until their successor has been duly elected and qualified. Officers shall serve a one-year term and be eligible to serve a second one-year term if recommended by the Executive Committee and approved by majority vote at the annual meeting of the Board of Directors.

A vacancy in any office because of death, resignation, removal, disqualification or otherwise, shall be filled by the Executive Committee for the unexpired portion of the term.

Each officer shall have the powers and authority and shall perform and discharge the duties of officers of the same title serving in nonprofit corporations having the same or similar general purposes and objectives as this corporation.

ARTICLE VIII
Corporate Status

Notwithstanding any other provisions of these Bylaws, no power or authority shall be exercised by the Board of Directors or the officers of the corporation in any manner or for any purpose whatsoever which might jeopardize the status of the corporation as an exempt organization pursuant to the Internal Revenue Code and its regulations as they now exist or they may hereafter be amended; nor shall the Directors or officers engage in any act of self-dealing as defined in the Internal Revenue Code; nor retain any excess business holdings as defined in the Internal Revenue Code; nor make any investments in such manner as to incur tax liability under Section 4944 of the Internal Revenue Code; nor make any taxable expenditures as defined in Section 4945 (d) of the Internal Revenue Code.

ARTICLE IX
Records

The corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members and Board of Directors. All books and records of the corporation may be inspected by any member, or member's agent or attorney for any proper purpose at any reasonable time. Minutes shall be recorded at all meetings and a Treasurer's report shall be prepared at least annually.

ARTICLE X
Gifts

If any person or persons at any time is or are disposed to make gifts or bequests to the corporation, power and authority is hereby conferred upon the Board of Directors to receive such gifts and bequests and to apply the principal and income therefrom to the purposes and objectives of the corporation, under the powers, authorities, and discretions contained in these bylaws; provided, that such gifts or bequests are not made upon any terms or conditions that would conflict with the uses, purposes, and provisions of these Bylaws and the Articles of Incorporation, except that restrictions in such gifts and bequests may be agreed to by the Board of Directors and accepted subject thereto.

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ARTICLE XI
Fiscal Year

The fiscal year of the corporation shall begin on the 1st day of July in each year and end at midnight on the 30th day of June.

Prior to the close of each fiscal year, the Audit Committee will cause the selection of a certified public accountant to audit all the accounts of the Foundation and render a report to the Board of Directors, which report shall include an operating statement for the fiscal year and a balance sheet as of the close of the fiscal year.
Neither the auditors selected nor any member or employee of any auditing firm selected shall be a director or an officer of the Foundation.

A copy of the report of the auditor shall be made available to each member of the Board of Directors as soon as practical and such report shall be presented to the annual meeting of the Board of Directors.

ARTICLE XII
Amendment

These Bylaws may be altered, amended or repealed, and new Bylaws may be adopted by a majority of the Directors present at the regular meeting in November of each year or any special meeting, if at least 10 days' written notice is given of the intention to alter, amend, or repeal or to adopt new Bylaws at such meeting.

ARTICLE XIII
Dissolution

The University of Arkansas – Fort Smith Foundation, Inc., Board of Directors shall have the irrevocable power and authority by majority vote at any regular or called meeting of said Board to unilaterally cause the dissolution of this corporation in accordance with the laws of Arkansas.

Upon the dissolution of the Foundation, all of its assets remaining after payment of all costs and expenses of such dissolution shall be distributed to the Board of Visitors of the University of Arkansas – Fort Smith for the exclusive use and benefit of the University of Arkansas – Fort Smith or any successor thereto which qualifies as a tax-exempt organization under the provisions of Section 501 (c) (3) of the Internal Revenue Code of the United States of America or acts amendatory thereof or supplementary thereto. Any of such assets not so disposed of shall be disposed of by the Circuit Court of the Fort Smith District of Sebastian County, Arkansas, exclusively for such purposes or to such organization or organizations as said Court shall determine, which are organized and operated exclusively for such purposes. Upon dissolution of the Foundation, none of the assets shall be distributed to any member, director, or officer of the Foundation.

_____ _____

Judy McReynolds, Chair Doug Babb, Secretary

UNIVERSITY of ARKANSAS – FORT SMITH
FOUNDATION

Memorandum of Understanding

of

University of Arkansas – Fort Smith
Foundation, INC.

THIS AGREEMENT entered into as of this _____ day of _____, 2022, by and between The Board of Trustees of the University of Arkansas (the "Board") representing the University of Arkansas – Fort Smith (the "University") and The University of Arkansas – Fort Smith Foundation, Inc. (the "Foundation").

The Foundation was organized and incorporated in 1974 to stimulate voluntary private support from alumni, parents, friends, corporations, foundations, and others to benefit the University.

The Foundation exists for the stated and primary purpose to manage and distribute private resources supporting the mission and priorities of the University and to further the University's mission by providing opportunities for students of the University and a margin of institutional excellence for the University unavailable with state funds.

The Foundation is dedicated to assisting the University in the maintenance and building of the endowment and addressing, through financial support, the University's long-term academic and other priorities.

The University has acknowledged, and does hereby reaffirm, that the Foundation is the primary and preferred repository for, and mechanism to receive, invest, manage and distribute endowment gifts supporting academic programs, research or maintenance of facilities benefiting the University.

As stated in its articles of incorporation, the Foundation is an independent, and separately incorporated 501 (c) (3) organization and is created and shall be operated for scientific, literary, and educational purposes within the United States, in furtherance of the objectives and development of the University.

Furthermore, in connection with its fundraising and asset-management activities, the University retains personnel experienced in planning for and managing private contributions and works with the Foundation to assist and advise in such activities.

In consideration of the mutual commitments herein contained, and other good and valuable consideration, receipt of which is hereby acknowledged, the parties agree as follows:

Foundation Name, Seal, and Logotype

Consistent with its mission to help advance the plans and objectives of the University, the Foundation is hereby granted the use of the name, logos, trademarks, and symbols of the University, as incorporated in the Foundation logos set forth below, for the purpose of carrying out the activities of the Foundation supporting the University. Any other Foundation use of University logos, trademarks or symbols must be approved in advance by the University.

UNIVERSITY *of* ARKANSAS – FORT SMITH
FOUNDATION

UNIVERSITY *of* ARKANSAS – FORT SMITH
FOUNDATION

The Foundation's Relationship to the University

- The University of Arkansas - Fort Smith Foundation, Inc. is an independent and separately incorporated 501 (c) (3) nonprofit organization created to manage and distribute private resources to support the various missions of the University.

- The Foundation's Board of Directors is responsible for controlling and managing all Foundation assets, including the prudent management of all gifts consistent with donor intent.

- The Foundation is responsible for the performance and oversight of all aspects of its operations based on a comprehensive set of bylaws and policies adopted by the Foundation's Board of Director's, including investment and spending policies, which address the Foundation's Board of Director's fiduciary responsibilities, as well as the ethical obligations of its board members.

- The Foundation is not responsible for the employment, compensation or evaluation of University employees. The Foundation may assist in recruiting University employees assigned to provide services to the Foundation. Furthermore, the University shall periodically consult with the Foundation regarding the nature of the services to be provided and the Foundation's assessment of such services.

- The Foundation may earmark a portion of its unrestricted funds to a discretionary fund for use by the Chancellor of the University and may either transfer a percentage of those funds annually to the University in compliance with state law and University policies or may reimburse the University for appropriate expenditures.

The University's Relationship to the Foundation

- The University's Chancellor is responsible for communicating the University's priorities and long-term plans to the Foundation.

- The University recognizes that the Foundation is an independent corporation with authority to keep all records and data confidential consistent with the law.

- The University's Vice Chancellor for University Advancement will be the University's primary point of contact with the Foundation.

- The University will work with the Foundation in strategic planning for the University.

- The University's Chancellor will serve as a non-voting ex-officio member of the Foundation's Board of Directors and will hold a central role in fundraising activities on behalf of the University.

- Employees of the University shall comply with the conflict of interest policies of the Foundation and the University. Potential or actual conflicts of interest that relate to the business of the Foundation shall be disclosed by the University to the Foundation and managed by the University in accordance with University and Board policies.

- The University shall establish and enforce policies addressing, to the extent permitted by Arkansas law, protection of the privacy and confidentiality of donor records.

Fundraising

University Responsibilities

- In consultation with the Foundation, the University is responsible for planning and executing comprehensive fundraising and donor-acquisition programs in support of the University's mission. These programs include annual giving, major gifts, planned gifts, special projects, and campaigns as appropriate.
- In furtherance of its fundraising and donor-acquisition programs, the University will employ trained advancement and development professionals to carry out fund-raising activities for the benefit of the University, including comprehensive capital and major gift campaigns, annual giving campaigns, and fund-raising initiatives as deemed necessary by the University;

- The University will acknowledge and receive in the manner prescribed by law any and all donations that it may receive for its benefit and process donations to the Foundation in a manner consistent with the policies and procedures of the Foundation that are then in effect.

- The University will adopt appropriate policies and procedures to transfer and deposit to the proper Foundation account gifts directed to the Foundation and to record such gifts in donor records promptly following receipt.

- The University shall make reasonable efforts to coordinate with the Foundation to ascertain donor intent and identify the proper repository for donations, taking into consideration the following: (i) if a gift instrument designates the Foundation as recipient, (ii) there is a prior history of giving to the Foundation or a particular account of fund, (iii) the gift designation is to a existing Foundation account or fund; (iv) a pledge or expectancy exists between the donor and the Foundation, or (v) the University and Foundation determine from other circumstances that the donor intended to deposit the funds with the Foundation.

- The University shall take reasonable steps to assure that gifts directed to the Foundation are accepted in accordance with the Foundation's gift acceptance policy (a copy of which shall be provided by the Foundation to the University), do not violate the Foundation's Bylaws or policies then in existence and do not contain restrictions or conditions that are contrary to law.

- The University shall establish procedures and take reasonable steps to assure that distributions from restricted gifts held, managed and administered by the Foundation are expended by the University for purposes consistent with such restrictions.

- The University shall establish policies and procedures and take reasonable steps to assure that unrestricted funds are disbursed and expended in a manner consistent with the purposes of the University and the Foundation (as set forth in the Foundation's Bylaws and policies then in existence), applicable accounting rules, requirements of law and policies of the Board.

Foundation Responsibilities

- The Foundation shall create an environment conducive to increasing levels of private support for the mission and priorities of the University.

- The Foundation will establish, adhere to, and periodically assess its gift-management and acceptance policies and will provide copies of such policies to the University. It will promptly acknowledge and issue receipts for all gifts on behalf of the Foundation and the University. Together the Foundation and University will work to provide appropriate recognition and stewardship of such contributions.

- The Foundation shall not accept grants from state or federal agencies, except in special circumstances that are approved by the Foundation's Board of Directors and the governmental agency.

- The Foundation shall establish and enforce policies to protect donor confidentiality and rights.

Asset Management

- The Foundation will receive, hold, manage, invest, and disburse contributions of cash, securities, patents, copyrights, and other forms of property, including immediately vesting gifts and deferred gifts that are contributed in the form of planned and deferred-gift instruments.

- The Foundation will establish asset-allocation, disbursement, and spending policies that adhere to applicable federal and state laws, including the Uniform Prudent Investor Act (UPIA) and the Uniform Prudent Management of Institutional Funds Act (UPMIFA).

- The Foundation will engage an independent accounting firm annually to audit the Foundation's financial and operational records and provide the University with a copy of the annual audited financial statements, including management letters.

- The Foundation shall provide the University with the Foundation's investment policies and relevant information on investment returns and managers upon the University's request. The Foundation will use its reasonable efforts to keep the University advised of decisions of the Foundation that substantively change the investment policies. However, the Foundation shall retain ultimate control of such matters.

Institutional Flexibility

- The Foundation will explore current opportunities, including acquisition and management of real estate on behalf of the University for future allocation, transfer, or use.

- When distributing gift funds to the University, the Foundation will disclose any terms, conditions, or limitations imposed on the gift by the donor or court order. The University will abide by such restrictions (to the extent such restrictions are lawful) and provide appropriate documentation of compliance.

Transfer of Funds

- The Foundation is the primary depository of private gifts made for the benefit of the University. The Foundation will transfer funds to the designated division, department or entity within the University, in compliance with applicable laws, University policies, and gift agreements.

- The Foundation's disbursements on behalf of the University must be for reasonable expenses that support the institution or its students, are consistent with donor intent, and do not conflict with the law.

Foundation Funding and Administration

- The Foundation is responsible for establishing a financial plan to underwrite the cost of Foundation-specific programs, operations, and services.

- The Foundation has the right, as defined by the Foundation's spending policy, to use a reasonable percentage of the annual unrestricted funds to support its operations and investments.

- The Foundation, at its own expense, will provide the University with fair and reasonable compensation for expenses necessary or required to fulfill its responsibilities and obligations. Specifically, the Foundation will reimburse the University for the proportional share of salary, benefits and office space associated with University employees that are assigned duties directly related to the Foundation's core functions. The amounts associated with these reimbursements shall be set forth in a schedule to this Agreement or a separate agreement, that shall

be incorporated herein by reference, and updated from time-to-time. In addition, in coordination with the University, the Foundation, through its Board of Directors, shall maintain a spending policy that allocates a certain portion of the annual spending distribution from endowed funds and the income from other funds of the Foundation to support campus advancement and/or development activities of the University.

- The University and the Foundation understand that in the course of certain activities, such as raising funds or other promotional activities conducted on behalf of the University, the University's employees may coordinate or collaborate with the Foundation or engage in activities that are for the benefit of the University but may incidentally benefit the Foundation. Except as expressly set forth in this Agreement, the Foundation acknowledges, and the University agrees, that University employees are solely employees of the University, and are not in any way under the control or supervision of the Foundation or of any employee or agent of the Foundation. The University acknowledges that it is solely responsible for all matters relating to the payment of federal, state and local payroll taxes, Workers' Compensation insurance, salary, fringe benefits and other costs and expenses associated with its employees.

- The University and the Foundation shall each assume the responsibility and liability for the acts and omissions of their own respective employees, deputies, officers, or agents in connection with the performance of their official duties under this Agreement. Neither the University nor the Foundation shall be considered the agent of the other. Either the University or the Foundation shall only be liable (if at all) for the torts of its own officers, agents, or employees that occur within the scope of their assigned duties.

- The Foundation shall maintain, at its own expense, copies of the plans, budgets, and donor and alumni records developed in connection with the performance of its obligations.

- The Foundation will provide access to data and records to the University and its employees on a need-to-know basis in accordance with applicable laws, foundation policies, and guidelines. The Foundation will provide copies of its annual report and other information that may be publicly released.

Miscellaneous

- To ensure effective achievement of the items of the agreement, the University and Foundation officers and board representatives shall hold periodic meetings to foster and maintain productive relationships and provide open and continuing communications and alignment of priorities.

- Upon 90 days prior written notice to the other, either party may terminate this agreement. Notwithstanding the foregoing, either party may terminate this Agreement in the event the other party defaults in the performance of its obligations and fails to cure the default within a reasonable time after receiving written notice of default.

- Consistent with provisions appearing in the Foundation's bylaws and its articles of incorporation, should the Foundation cease to exist or cease to qualify as a tax exempt organization under Internal Revenue Code §501(c)(3), the Foundation will transfer its assets and property to the University, to a reincorporated successor foundation, or the state or federal government for public purposes, in accordance with the law and donor intent.

IN WITNESS WHEREOF, the parties have caused this Memorandum of Understanding to be executed by their duly authorized officers as of the day and date first above written.

_____

Donald R. Bobbitt
President, on behalf of the
Board of Trustees of the University of Arkansas

Date: _____

_____

Doug Babb
Chair, Board of Directors
University of Arkansas – Fort Smith Foundation, Inc.

Date: _____

_____

Terisa C. Riley
Chancellor
University of Arkansas – Fort Smith

Date: _____

REIMBURSEMENT SCHEDULE TO MEMORANDUM OF UNDERSTANDING
between The University of Arkansas – Fort Smith Foundation, Inc.
(the "Foundation") and the Board of Trustees
of the University of Arkansas (the "Board")

Pursuant to the terms, conditions and covenants of the Memorandum of Understanding between the Foundation and the Board, executed on the _____ day of _____, 20____, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Foundation and the Board agree to reimbursement of the costs and expenses at the rates set forth below, until otherwise agreed in writing:

A. Office Space:

- The Board will grant the Foundation a limited license for the use of certain office space pursuant to a License Agreement in the form attached hereto as Exhibit A.

B. Services:

- The University shall provide the Foundation with the administrative, accounting and incidental services described in Exhibit B (the "Services).

- The Foundation shall pay the University $37,500 per month for the Services.

- The University and Foundation agree that in providing the Services the University is an independent contractor and that all personnel assigned by the University to provide Services to the Foundation are employees of the University, and only the University.

IN WITNESS WHEREOF, the parties have caused this Reimbursement Schedule to the Memorandum of Understanding to be executed by their duly authorized officers as of the day and date first above written.

_____
Donald R. Bobbitt
President, on behalf of the
Board of Trustees of the University of Arkansas

Date: _____

_____
Doug Babb
Chair, Board of Directors
University of Arkansas – Fort Smith Foundation, Inc.

Date: _____

_____
Terisa C. Riley
Chancellor
University of Arkansas – Fort Smith

Date: _____

Exhibit A to Reimbursement Schedule
LICENSE AGREEMENT

The Board of Trustees of the University of Arkansas (the "Board") grants to the University of Arkansas – Fort Smith Foundation, Inc. (the "Foundation"), a license to use certain premises in the Fullerton Administration building on the University of Arkansas – Fort Smith ("UAFS") campus, which premises are more particularly described on Schedule 1 (the "Premises"), on the terms described below:

1. **Term of the License Agreement.** This License Agreement is effective upon the date of the last signature and shall continue until June 30, 2023, when is shall automatically renew for a term of one (1) year. Each year thereafter, the term of this License Agreement shall automatically renew for additional periods of one (1) year unless either party provides notice of non-renewal at least ninety (90) days before the end of the term.

2. **Use of the Premises.** The Foundation's use of the Premises is limited to use and occupancy by UAFS employees specifically assigned by UAFS to provide services to or for the benefit of the Foundation and to board members and employees of the Foundation. The Foundation shall make no other use of the Premises without the prior written approval of UAFS. This license is not exclusive. UAFS shall be entitled during the term of this license to use and occupy the Premises so long as such use does not materially interfere with the Foundation's use of the Premises.

3. The Foundation shall indemnify and hold harmless the Board and its trustees and employees against any loss or damage arising from the Foundation's use of the Premises.

4. **Utilities.** Water, heat, air conditioning, electricity, telephone service, internet access and routine maintenance, all as typically provided for UAFS administration offices, will be provided to the Premises at the Board's expense.

5. **Consideration Payable.** In consideration of this license, the Foundation agrees to pay the Board $10,000.00 per year, with the first payment due at the time this License Agreement is signed.

6. **Entire Agreement.** This License Agreement represents the entire agreement of the parties concerning the Foundation's use of the Premises, and shall not be modified or amended except through a written and signed agreement of the parties. However, this License Agreement is executed as part of a broader Memorandum of Understanding between the Board, the University and Foundation. Any term not specifically defined in this License Agreement shall be given the meaning set forth in the Memorandum of Understanding. Any conflict between the terms of this License Agreement and the Memorandum of Understanding shall be resolved in favor of the License Agreement.

7. **Termination.** This License Agreement may be terminated by either party upon the occurrence of an Event of Default. For the purposes of this agreement Event of Default means a failure perform any material obligation imposed by this License Agreement which is not cured within 30 days of written notice of default.

8. **Sovereign Immunity.** Nothing in this agreement shall be deemed or interpreted as a waiver of the Board's sovereign immunity.

_____	_____
Donald R. Bobbitt President, on behalf of the Board of Trustees of the University of Arkansas	Doug Babb Chair, Board of Directors University of Arkansas – Fort Smith Foundation, Inc.
Date: _____	Date: _____

SCHEDULE 1 to
LICENSE AGREEMENT

The University of Arkansas – Fort Smith Foundation, Inc. is housed with the University's Advancement Center. The physical office building, located at 5317 Grand Avenue, is across from the main University campus. The entire building is occupied by the University Advancement team, including Marketing, Alumni Development, and Administrative employees, with a certain percentage of space allocated to Foundation services.

Exhibit B to Reimbursement Schedule
SERVICE AGREEMENT

This Service Agreement is made effective on the last date set forth under to the signature of the parties hereto, by and between the Board of Trustees of the University of Arkansas (the "Board") and the University of Arkansas – Fort Smith Foundation, Inc. (the "Foundation"), are more particularly described on attachment 1 (the "Employees"), on the terms described below:

1. **Term of the Service Agreement.** This Service Agreement is effective upon the date of the last signature and shall continue until June 30, 2023, when it shall automatically renew for a term of one (1) year. Each year thereafter, the term of this Service Agreement shall automatically renew for additional periods of one (1) year unless either party provides notice of non-renewal at least ninety (90) days before the end of the term.

2. **Services.** The University shall provide the Foundation with administrative, financial, accounting and various other services related the operation of the Foundation (the "Services").

3. **Independent Contractor.** The Board and the Foundation agree that University employees are not in any way under the control or supervision of the Foundation or of any employee or agent of the Foundation. The University and the Foundation that the University is an independent contractor and that all personnel assigned by the University to provide the Foundation Services are employees of the University, and only the University. The University acknowledges that it is responsible for all matters relating to the payment of federal, state and local payroll taxes, Workers Compensation insurance, salary and fringe benefits for its employees.

4. **Management Oversight.** University employees assigned to the Foundation shall be responsible and report to the Board, or its designee. The Board shall determine the policies and procedures to be followed by the University employees assigned to the Foundation regarding time and performance of the Services. The University will use its best efforts to keep the Foundation advised of its policies effecting the University employees providing the Services to the Foundation.

5. **Personnel Changes.** To the extent practical, and in compliance with the laws of the State of Arkansas, and in no way in abrogation of the independent relationship between the University and the Foundation, the University shall consult with the Foundation and consider reasonable recommendations regarding the reassignment or discontinuation of services by any individual University employee that is assigned to provide the Services to the Foundation. However, the Board and/or the University retains ultimate control or authority over such matters. The Foundation shall not be responsible for any of the University's financial obligations to its employee.

6. **Consideration Payable.** In consideration of this license, the Foundation agrees to pay the Board $450,000.00 per year, with the first payment due at the time this Service Agreement is signed.

7. **Entire Agreement.** This Service Agreement represents the entire agreement of the parties concerning the University providing the Services to the Foundation, and shall not be modified or amended except through a written and signed agreement of the parties. However, this Service Agreement is executed as part of a broader Memorandum of Understanding between the Board, the University and Foundation. Any term not specifically

defined in this Service Agreement shall be given the meaning set forth in the Memorandum of Understanding. Any conflict between the terms of this Service Agreement and the Memorandum of Understanding shall be resolved in favor of the Service Agreement.

8. **Termination.** This Service Agreement may be terminated by either party upon the occurrence of an Event of Default. For the purposes of this agreement Event of Default means a failure perform any material obligation imposed by this Service Agreement which is not cured within 30 days of written notice of default.

9. **Sovereign Immunity.** Nothing in this agreement shall be deemed or interpreted as a waiver of the Board's sovereign immunity.

_____

Donald R. Bobbitt
President, on behalf of the
Board of Trustees of the University of Arkansas

Date: _____

_____

Doug Babb
Chair, Board of Directors
University of Arkansas – Fort Smith Foundation, Inc.

Date: _____

UNIVERSITY of ARKANSAS – FORT SMITH
FOUNDATION

Code of Ethics

of

University of Arkansas – Fort Smith
Foundation, INC.

Introduction

The purpose of The University of Arkansas Fort Smith Foundation, Inc. (the "Foundation") is to solicit, accept, hold, invest, reinvest, and administer any gifts, bequests, devices, benefits of trusts, property of any sort without limitations as to any amount or value, and to use, disburse, and donate the income or principal thereof to the sole benefit of the University of Arkansas – Fort Smith (the "University"); to promote education and other related activities of the University; and perform any such acts as may be necessary to carry out the foregoing purposes of the corporation so long as said acts are within the power granted to nonprofit corporations under the laws of the State of Arkansas.

Statement of Values

The Foundation is committed to excellence and to the public good. It is a responsible, prudent steward of resources committed to maintaining the public trust. Within the bounds of protecting donor privacy, the Foundation conducts its business transparently and with integrity and honesty. The Foundation respects the worth and dignity of individuals, pluralism and diversity.

Code of Ethics

I. Personal and Professional Integrity

All staff, board members, and volunteers of the Foundation act with honesty, integrity, and openness in all their dealings as representatives of the Foundation. The Foundation promotes a working environment that values respect, fairness, and integrity.

II. Mission

The University of Arkansas Fort Smith Foundation, Inc. inspires generosity through meaningful, lifetime donor relationships to secure and grow additional resources to support the University in its endeavor to be a nationally recognized regional university.

III. Governance

The Foundation has an active board of directors that is responsible for setting the mission and strategic direction of the Foundation and oversight of the finances, operations, and policies of the Foundation. The board of directors:

1. Ensures that its board members have the requisite skills and experience to carry out their duties and that all members understand and fulfill their governance duties acting for the benefit of the Foundation and its public purpose;
2. Has a conflict of interest policy that ensures that any conflicts of interest or the appearance thereof are avoided or appropriately managed through disclosure, recusal or other means;
3. Ensures that appropriate staff provide the governing body with timely and comprehensive information so that the governing body can effectively carry out its duties;
4. Ensures that the Foundation conducts all transactions and dealings with integrity and honesty;
5. Ensures that the Foundation promotes working relationships with board members, staff, volunteers, and program beneficiaries that are based on mutual respect, fairness and openness;
6. Ensures that the Foundation is fair and inclusive in its hiring and promotion policies and practices for all board, staff, and volunteer positions;
7. Ensures that policies of the Foundation are in writing, clearly articulated and officially adopted;
8. Ensures that the resources of the Foundation are responsibly and prudently managed; and,
9. Ensures that the Foundation has the capacity to carry out its programs effectively.

IV. Legal Compliance

The Foundation is knowledgeable of and complies with state and federal laws and regulations.

V. Responsible Stewardship

The Foundation manages its funds responsibly and prudently, including the following considerations:

1. The Foundation spends a reasonable percentage of its annual budget on programs in pursuance of its mission;
2. The Foundation spends an adequate amount on administrative expenses to ensure effective accounting systems, internal controls, competent staff, and other expenditures critical to professional management;
3. The Foundation compensates those who may receive compensation, reasonably and appropriately;
4. The Foundation ensures reasonable fundraising costs, recognizing the variety of factors that affect these costs;
5. The Foundation does not accumulate operating funds excessively;
6. The Foundation prudently draws from endowment funds consistent with donor intent and to support its public purpose;
7. The Foundation ensures that all spending practices and policies are fair, reasonable and appropriate to fulfill its mission; and,
8. The Foundation ensures all financial reports are factually accurate and complete in all material respects.

VI. Openness and Disclosure

The Foundation provides comprehensive and timely information to the public, the media, and all stakeholders and is responsive in a timely manner to reasonable requests for information. All information about the Foundation will fully and honestly reflect its policies and practices. Basic informational data about the Foundation, such as the Form 990, reviews and compilations, and audited financial statements will be available to the public. All solicitation materials accurately represent the Foundation's policies and practices and will reflect the dignity of program beneficiaries. All financial, organizational, and program reports will be complete and accurate in all material respects.

VII. Evaluation

The Foundation is committed to improving programs and organizational effectiveness; is responsible to the changing needs of the University; and reviews its programs for effectiveness at least once annually. The Foundation is responsive to changes in its field of activity and is responsible to the needs of its constituencies. The Foundation develops mechanisms to promote learning from its activities and the field.

VIII. Inclusiveness and Diversity

The Foundation has a practice of promoting inclusiveness and its staff, board, and volunteers reflect diversity in order to enrich its programmatic effectiveness. The Foundation takes meaningful steps to promote inclusiveness in its hiring, retention, promotion, board recruitment, and constituencies served.

IX. Fundraising

The Foundation is truthful in its solicitation materials; respects the privacy concerns of individual donors; and expends funds consistent with donor intent. The Foundation discloses important and relevant information to potential donors.

In raising funds from the public, the Foundation will respect the rights of donors in accordance with the CASE (Council for Advancement and Support of Education) "Donor Bill of Rights" which declares that all donors have these rights:

1. To be informed of the Foundation's mission, of the way the Foundation intends to use donated resources, and of its capacity to use donations effectively for their intended purposes.
2. To be informed of the identity of those serving on the Foundation's governing board, and to expect the board to exercise prudent judgment in its stewardship responsibilities.
3. To have access to the Foundation's most recent financial statements.
4. To be assured their gifts will be used for the purposes for which they were given.
5. To receive appropriate acknowledgment and recognition.
6. To be assured that information about their donations is handled with respect and with confidentiality to the

extent provided by law.

7. To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature.
8. To be informed whether those seeking donations are volunteers, employees of the organization or hired solicitors.
9. To have the opportunity for their names to be deleted from mailing lists that an organization may intend to share.
10. To feel free to ask questions when making a donation and to receive prompt, truthful and forthright answers.

Reviewed and approved by The University of Arkansas Fort Smith Foundation, Inc. Board of Directors this 5th day of November, 2015.

_____ _____

John R. Taylor, Chair Tim Shields, Secretary

UNIVERSITY of ARKANSAS – FORT SMITH
FOUNDATION

Privacy and Security Statement

of

University of Arkansas – Fort Smith
Foundation, INC.

Privacy Statement

The UAFS Foundation endeavors to respect the privacy of its donors. The information provided when gifts are made is collected for the purpose of correctly processing gifts or pledges. The UAFS Foundation does not share, sell or trade information collected with third parties for commercial solicitation or political purposes. We do, however, share our data with campus partners, business associates, the University of Arkansas Fort Smith Alumni Association and select individuals and entities for alumni relations and development purposes, where applicable.

Cookies, Tracking Tags, and Other Technology

The UAFS Foundation, through its website, may use cookies and other tracking mechanisms across its website and social media platforms. Cookies allow the UAFS Foundation to measure activity on the website and to improve user experience. It is our understanding that Cookies cannot retrieve any other data from a hard drive or obtain an email address. Although a user has the ability to modify most browsers to either accept all cookies, notify the user when a cookie is sent, or reject all cookies, it may not be possible to use certain services on the UAFS Foundation website if cookies are not accepted. With cookies, the information collected is anonymous and not personally identifiable.

Security Statement

The UAFS Foundation understands the importance of the security of personal information. We endeavor to protect the confidentiality and integrity of any personal information that is shared with us on the web or offline. The UAFS Foundation does not store any credit card information when donors make a gift online. An audited secure third party is used to process any online credit card transactions for all donor gifts.

The UAFS Foundation considers your data a critical asset to the UAFS Foundation and protects it against theft, loss and unauthorized access. We take efforts to accomplish this using reasonable technical security methods and appropriate internal administrative processes. The UAFS Foundation may disclose personal information when required by law or in the good-faith belief that such action is necessary in order to conform to the edicts of the law or comply with legal process served on the UAFS Foundation. While we strive to protect personal information, we cannot guarantee its absolute security. The UAFS Foundation may provide links or references to other organizations and websites. The UAFS Foundation is not responsible for the privacy practices or the Content of such organizations and websites.

Notification of Changes

The UAFS Foundation reserves the right to alter this statement at any time by posting a new one at this location. This privacy statement was last updated in January of 2017.

Revised and approved by the Foundation Board of Directors
February 2, 2017

UNIVERSITY of ARKANSAS – FORT SMITH
FOUNDATION

Conflict of Interest
-POLICY-
of
University of Arkansas – Fort Smith Foundation, INC.

I. Purpose

The purpose of the conflict of interest policy is to protect The University of Arkansas Fort Smith Foundation, Inc. (the "Foundation") interests when the Foundation is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Foundation or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

II. Definitions

1. Interested Person

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

2. Financial Interest

   A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

   a. An ownership or investment interest in any entity with which the Foundation has a transaction or arrangement,
   b. A compensation arrangement with the Foundation or with any entity or individual with which the Foundation has a transaction or arrangement, or
   c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Foundation is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

III. Procedures

1. Duty to Disclose

   In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the members of the Executive Committee ("Committee") with governing board delegated powers considering the proposed transaction or arrangement.

2. Determining Whether a Conflict of Interest Exists

   After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the Committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining committee members shall decide if a conflict of interest exists.

3. Procedures for Addressing the Conflict of Interest

   a. An interested person may make a presentation at the Committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
   b. The chairperson of the Committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
   c. After exercising due diligence, the Committee shall determine whether the Foundation can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Foundation's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

4. Violations of the Conflicts of Interest Policy
   a. If the Committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
   b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the Committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

IV. Records of Proceedings

The minutes of the Committee with board delegated powers shall contain:

1. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Committee's decision as to whether a conflict of interest in fact existed.
2. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

V. Compensation

1. A voting member of the governing board who receives compensation, directly or indirectly, from the Foundation for services is precluded from voting on matters pertaining to that member's compensation.
2. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Foundation for services is precluded from voting on matters pertaining to that member's compensation.
3. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Foundation, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

VI. Annual Statements

Each director, principal officer, and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

1. Has received a copy of the conflict of interest policy,
2. Has read and understands the policy,
3. Has agreed to comply with the policy, and
4. Understands the Foundation is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

VII. Periodic Reviews

To ensure the Foundation operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

1. Whether compensation arrangements and benefits are reasonable, based on competent survey information and

the result of arm's length bargaining.

2. Whether partnerships, joint ventures, and arrangements with management organizations conform to the Foundation's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

VIII. Use of Outside Experts

When conducting the periodic reviews as provided for in Article VII, the Foundation may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

Revised and approved by The University of Arkansas Fort Smith Foundation, Inc. Board of Directors this 2nd day of November, 2017.

_____ _____

Judy McReynolds, Chair Doug Babb, Secretary

ANNUAL AFFIRMATION OF COMPLIANCE AND DISCLOSURE STATEMENT

I have received and carefully read the Conflict of Interest Policy for The University of Arkansas Fort Smith Foundation, Inc. By signing this affirmation of compliance, I hereby affirm that I understand and agree to comply with the Conflict of Interest Policy. I further understand that The University of Arkansas Fort Smith Foundation, Inc. is a charitable organization and that in order to maintain its federal tax exemption, it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

I hereby state that I do not, to the best of my knowledge, have any conflict of interest that may be seen as competing with the interests of The University of Arkansas Fort Smith Foundation, Inc. nor does any relative or business associate have such an actual or potential conflict of interest.

_____ _____

Signature Date

_____

Printed Name

UNIVERSITY of ARKANSAS – FORT SMITH
FOUNDATION

Discretionary Funds
-POLICY-

of

University of Arkansas – Fort Smith
Foundation, INC.

I. General Policy

The University of Arkansas Fort Smith Foundation, Inc. (the "Foundation") understands that there are legitimate expenses for which it is prudent for the University of Arkansas Fort Smith (the "University") to use private funds as opposed to State appropriations. Those funds are hereafter referred to by an internal designation of "Discretionary Funds" and include a category of funds that consist of (1) unrestricted, undesignated donations initially made to the Foundation; (2) donor-restricted gifts initially made to the Foundation or endowment earnings allowing discretionary spending; and (3) earnings on certain non-general fund sources. In order to fulfill its obligations to donors and act consistent with donor intent, the Foundation must ensure that these funds are used with the utmost discretion and sound judgement. This policy ensures the expenditures in these categories only occur when necessary and appropriate.

Those responsible for use and oversight of Discretionary Funds must use a prudent and reasonable approach in determining appropriate expenditures to be paid from these accounts. The use of Discretionary Funds is flexible in nature but must comply with University policies, standards, and documentation requirements. Furthermore, expenditures for the conduct of University business normally must be paid using regular University funds (State appropriations). These Discretionary Funds, assigned to organizations, departments, divisions and/or officials within the University, are intended to enhance the effectiveness of colleges or administrative units. Discretionary Funds must be used for valid business purposes that directly benefits the program or objective for which they are received. Those personnel designated as signatory authority have discretion relative to expenditures with the same admonitions mentioned above.

At no time will Foundation funds be used for the support of partisan political activity of any kind, including contributions to political parties or to other political activities. Contributions and/or subscriptions for publications or other material designed to promote political appointments or similar objectives are prohibited.

II. Gift of Discretionary Funds

When the Foundation receives gifts and other contributions directly from a donor or makes an allocation, which specifies particular types of expenditures for which the funds may be used, then these funds must be used for those specific expenditures. All contributions received directly from a donor for the benefit of a specific department, but not designated by the donor for a specific type of expenditure other than departmental discretionary use, are considered by the Foundation as available for expenditures for all reasonable purposes.

The term "discretionary" should be construed to mean that these funds are used, at the discretion of the Chancellor, Dean, Department Head or other designee, to advance the work of the University and NOT for the personal benefit of individual employees or group of employees. Expenditure of discretionary funds should ultimately enhance the Foundation's ability to serve the University's mission and goals. These funds provide a means of paying those reasonable and necessary expenditures that must be made in the normal course of University business, but for which state funds are not available or appropriate.
Efforts should be made to charge all expenditures to state funds when appropriate and to conserve these funds. They are not intended to supplement regular operating budgets, but are to be used as a mechanism for paying special types of necessary expenditures.

III. Discretionary Expenditures

As a general principle, all expenditures of Discretionary Funds (or "Discretionary Expenditures") must be related to official University business and must provide a distinct benefit to the University. Discretion and good judgement should be used to determine expenditures appropriate for payment from Foundation funds. Official University sponsored events and functions must support University program objectives and must carry the approval of University leadership. Distributions are subject to applicable law. Discretionary Expenditures must comply with

the Internal Revenue Code 501(c)(3) and must be consistent with the Foundation's mission. The Discretionary Expenditures will be audited as part of the Foundation's annual audit processes, and maybe reviewed upon request by the Foundation's Finance and/or Executive Committees.

A. NON-ALLOWABLE EXPENDITURES

The following list of non-allowable expenditures is not to be considered all-inclusive:

1. Expenditures which do not meet the test of legal, ethical, or public perception of appropriateness.
2. Expenditures without appropriate support documentation or available monies.
3. Expenditures that provide a personal benefit.
4. Gifts of a personal nature to University personnel or students, including birthday, anniversary, wedding or special occasions. The only allowable exception would be bereavement and illness gifts. Gifts to donors and alumni must pass the IRS charitable contributions and substantiation and disclosure requirements.
5. Fees for campus parking permits, late fees, fines for parking or traffic infractions, or expenses related to any illegal actions.
6. Salaries or wages to faculty, staff, students and/or other full or part-time employees of the University is not allowed. Such payments must be processed through the University payroll office. Reimbursement to the University for salaries or wages paid by the University may be allowed with approval of appropriate University officials.
7. All state and federal grants or research contracts must be processed through the University's business office.
8. Expenditures from fees and income from conferences, camps or events held by University departments or programs in/on University facilities or property. These transactions must be processed through the University's business office.

B. EXCEPTIONS

Exceptions to this policy must be approved by the Foundation's Executive Director, and all exceptions must be consistent with Foundation bylaws.

IV. Policy Amendment and Review

The Foundation's Executive Committee holds primary responsibility for review and recommended amendments to this policy and must approve any subsequent changes. This policy shall be reviewed to ensure no conflict exists with the Foundation bylaws or other applicable state or federal laws. In the event of a conflict, the foundation Bylaws will override this policy. To amend this policy, a written amendment shall be prepared by the Executive Committee and submitted to the Foundation Board of Trustees for review and approval.

APPROVALS, DISBURSEMENT, AND REIMBURSEMENT

All requests for expenditures must have sufficient documentation (ex. quotes, detailed purpose of the expense, guests entertained, etc.) and be and signed by the person to whom the submitter reports and approved by the Executive Director of the Foundation. Pre-approval is required before incurring the expense.

If personal reimbursement is necessary for qualified, pre-approved expenses, a reimbursement form must be prepared. It should be signed by the person to whom the submitter reports and approved by the Executive Director of the Foundation.

Documentation of expenditures should be explicit. All vouchers for entertainment should list all personnel entertained and the general nature of the meeting. Receipts must be detailed; credit card charges alone are not sufficient. If detailed receipts are unavailable, a statement to that effect must be included.

The Foundation does not pay travel per diems, but relies on receipts (as indicated above), mileage and specific ticketing.

Reviewed and approved by The University of Arkansas Fort Smith Foundation, Inc. Board of Directors this 7th day of November, 2019.

_____ _____

Mark Moll, Chair David Cravens, Secretary

UNIVERSITY of ARKANSAS – FORT SMITH
FOUNDATION

Gift Acceptance
-POLICY-

of

University of Arkansas – Fort Smith
Foundation, INC.

I. Purpose

To provide guidelines for the acceptance and reporting of gifts for the benefit of the University of Arkansas Fort Smith ("UAFS") and the University of Arkansas Fort Smith Foundation ("the Foundation") that are consistent with the Foundation's bylaws, purposes as well as the requirements of the Internal Revenue Service ("IRS").

UAFS, THE FOUNDATION, OR ITS AFFILIATES DO NOT PROVIDE TAX, LEGAL OR ACCOUNTING ADVICE. THIS MATERIAL HAS BEEN PREPARED FOR INFORMATIONAL PURPOSES ONLY, AND IS NOT INTENDED TO PROVIDE, AND SHOULD NOT BE RELIED ON FOR TAX, LEGAL OR ACCOUNTING ADVICE. DONORS SHOULD CONSULT HIS OR HER OWN TAX, LEGAL AND ACCOUNTING ADVISORS BEFORE ENGAGING IN ANY TRANSACTION.

II. General Gift Acceptance Policy

The University of Arkansas Fort Smith Foundation is exempt from income taxes under Section 501 (c)(3) of the Internal Revenue Code and, therefore, is obligated to conduct its activities in furtherance of its exempt purpose as defined in its application for tax-exempt status filed with the IRS.

As a tax-exempt organization, the Foundation is permitted to receive contributions that support its exempt activities and contribute to the exempt functions for which it was created. Contributions may include funds given for the following purposes:

1) Initial or continued funding of endowments
2) Unrestricted gifts
3) Restricted gifts for scholarships, etc.
4) Other restricted giving for support of the University

Contributions must take the form of donations in support of the Foundation and University. Restrictions placed upon the use of the funds donated must be clearly documented and approved by the Foundation and identify any events or timing which may trigger the release of such restrictions. The Foundation will not accept funds which are not considered tax-deductible gifts.

III. Authority

The authority to negotiate for and to solicit gifts in general for the benefit of The University of Arkansas Fort Smith Foundation, Inc. ("the Foundation") shall be vested in the Chancellor of the University of Arkansas at Fort Smith ("the University"), the Vice Chancellor for University Advancement (who is also Executive Director of the Foundation), development officers, and any other person(s) who may later be designated by the Chancellor of the University.

All gifts shall be recorded and receipted according to the standards recommended by the Council for the Advancement and Support of Education (CASE), the National Association of College and University Business Officers (NACUBO), and the American Institute of Certified Public Accountants (AICPA).

Any gift, current or deferred, which necessitates the establishment of a fund, requires a written agreement. Exceptions to this may be approved as needed by the Executive Director of the Foundation. These agreements shall be signed by the Executive Director of the Foundation and the donor(s). No agreement shall be executed until the Executive Director reviews the document and determines that it is feasible and prudent for the Foundation to proceed.

IV. Conflict of Interest

The task of all volunteers and staff is to inform, guide, or assist the donor in fulfilling his or her philanthropic wishes. The interests of donors shall come before that of the Foundation. No program, agreement, trust, contract or any other commitment which would benefit the Foundation at the expense of the interest of the donor shall be urged upon any prospective donor. No agreement which would knowingly jeopardize the interests of any donor shall be made between the Foundation and any agency, company, or organization on any matter. All prospective donors are advised to consult their own attorneys and/or tax advisors regarding all aspects of their proposed gift, whether as an outright gift, bequest, trust, contract, or other means.

The Foundation staff will not act as an advisor to the donor regarding the drafting of wills, trusts, or other estate planning issues because of the potential conflict of interest. In keeping with this policy, all personnel employed by the University or the Foundation to solicit gifts shall be paid a salary or an hourly wage. These persons shall not receive any commission which might give the personnel an undesired personal interest in gift solicitation. The Foundation and its representatives will observe the Donor Bill of Rights developed by the Giving Institute (GI), Association for Healthcare Philanthropy (AHP), Council for Advancement and Support of Education (CASE), and the Association of Fundraising Professionals (AFP), and adopted in 1993.

V. Compliance

At all times, the Foundation will fully comply with the regulations of the Internal Revenue Service and other regulatory agencies regarding reports and accountings which must be made. These policies are not intended to amend or replace the Foundation policies regarding investments. These policies should be viewed as complimentary to the investment policies.

The Foundation will not accept gifts that (a) would result in the Foundation violating its corporate charter, (b) would result in the Foundation losing its status as an IRC § 501(c)(3) not-for profit organization, (c) are too difficult or too expensive to administer in relation to their value, (d) would result in any unacceptable consequences for the Foundation, or (e) are for purposes outside the Foundation's mission.

Overall responsibility for assuring compliance with this policy is assigned to the Vice Chancellor for University Advancement. In appropriate cases, gift proposals shall be screened by the Gift Acceptance Committee. The Gift Acceptance Committee shall serve on an ad hoc basis. Members of this committee shall be the Vice Chancellor for University Advancement, the Chancellor, and the Vice Chancellor for Finance and Administration, select members of the Investment Advisory Committee, and members of the Foundation Board of Directors with demonstrated expertise in areas related to the specific gift in question.

Types of gifts reviewed by the Committee may include, but are not limited to:

a. Gifts of real property or an interest therein.
b. Gifts of tangible personal property, such as art, jewelry, furniture, sculpture, if made on the condition that the gift will be permanently exhibited or that the collection(s) will be maintained and shown as such.
c. Gifts of closely-held securities, stock options, partnership interests, or other negotiable instruments.
d. Gifts of undivided interest or future interests.
e. Bargain sales, gifts subject to encumbrance.
f. Gifts that present questions as to whether they are within the role and scope of the University.
g. Gifts that might raise questions about the University's integrity or may result in unacceptable consequences, publicity, financial risk, or litigations.
h. Gifts that present the potential for an obligation that the University may be unwilling or unable to assume.

Types of tangible personal property accepted with intent to sell may include, but are not limited to:

a. Coins
b. Automobiles
c. Books
d. Boats
e. Manuscripts
f. Art work

The University cannot accept gifts which involve unlawful discrimination based upon race, sex, national origin, handicap, or any other basis prohibited by federal, state, and local laws. The University is unable to accept gifts too restrictive in purpose or inconsistent with its stated academic purpose and priorities. Gifts received by the University must not inhibit it from accepting gifts from other donors.

The University will not accept a gift making it a principal in a joint venture or business activity in which it participates fully in the risks of operation, and has more than limited liability for the conduct of the business (i.e., as a general partner, principal in a joint venture, or as an owner of a working interest).

Gift Acceptance Guidelines

A gift is defined as any transfer of personal or real property made voluntarily and without consideration. Gifts of securities, real estate, mineral interests, equipment, books, works of art, and gifts by bequest or non-cash gifts are subject to special handling by The University of Arkansas Fort Smith Foundation, Inc. Gifts may be made in several forms: (1) outright; (2) conveyance of gift in return for a lifetime income or a term of years; (3) bequest through a donor's will or trust; (4) income from an asset placed in a trust for a period of years and (5) real property while maintaining the right to occupy it for the lifetime of the donor.

Outright gifts are voluntary irrevocable transfers of items of value to the Foundation or the University in the form of cash, credit card transactions, marketable securities or other property, where no goods or services are expected, implied or forthcoming for the donor. In advance of the donation, the donor may restrict the use of the gift or designate it for a particular purpose or program; however, once the gift is accepted, the donor has no further direct decision-making power regarding the gift. The Foundation recognizes that the accurate, timely processing of gifts is important to both the donor and the University of Arkansas Fort Smith.

a. Cash and Credit Card Gifts

The preferred method of tender is US Dollars. Gifts of cash will be credited as charitable donations as of the date the institution receives the gift.

Gifts by Check. Gifts made by check or money orders must be made payable to the University of Arkansas Fort Smith Foundation. Checks will be credited as a charitable donation as of the date the Foundation receives the physical check and in the amount of the legal tender. Gift credit will be made to the remitting entity. The donor, in the note section or in a cover letter, should specify any special restriction for the use of the funds.

Credit Card Gifts. The Foundation accepts gifts of Visa, MasterCard and Discover by phone or through the Foundation's website. Gifts made by credit card are recorded in the same manner as gifts made by cash or check, with the exception that the legal date of the gift is the date the Foundation receives authorization for the credit card charge from the credit card agency.

Year-End Gifts. To qualify as a tax deduction in a given year, a cash gift must be postmarked or hand-delivered by December 31st of that year. Credit card gifts must be actually charged by December 31st.

b. Payroll Deductions. Gifts may be made by UAFS employees through payroll deduction. Donors that wish to

set up a monthly payroll deduction should complete the Payroll Deduction Form and submit it to the Foundation by the monthly deadline. Deadlines for UAFS payroll deductions are determined by UAFS Payroll and generally fall around the 10th of the month. As such, donations for new payroll deductions may be delayed one month if the donor notifies the Foundation after the deadline. Similarly, donors who wish to cancel their payroll deduction must do so by the UAFS Payroll deadline, or the deduction will continue an additional month. The gift date of the monthly payroll donations will be listed as the last day of the month.

c. Publicly Traded Securities
Publicly traded securities received by the Foundation are liquidated as soon as feasible.

Publicly Traded Securities Held in a Brokerage Account. Securities held by a broker may be delivered electronically to the Foundation brokerage account. The Donor should contact the Foundation when making this type of gift. The Donor should notify their broker of the gift and provide the broker with the contact information of the Executive Director of the Foundation. For crediting purposes, the gift will be credited at the fair market value, which is the average of the high and low on the date of delivery.

Publicly Traded Stock in Certificate Form. Donor will need a signed stock power from the donor's banker or broker, and letter of authorization for each stock certificate donated. These, along with the unsigned certificates, should be sent by registered mail. The gift amount will be credited on the date the stock is delivered. For crediting purposes, the gift will be credited the fair market value, which is the average of the high and low on the date of delivery.

The Foundation prefers that the donor not sign stock certificates or have shares re-registered in the name of the University. It is preferable for the donor to transfer stock in one of the two ways mentioned above, and provide a letter to the Foundation regarding the application of the proceeds of the securities.

d. Life Insurance
Life insurance is a policy that will pay a specified sum to beneficiaries upon the death of the insured. Donors may make an outright gift of a policy to the University of Arkansas Fort Smith Foundation, Inc. by irrevocably transferring all incidents of ownership in a policy to them. The Foundation will accept two types of life insurance gifts:

i. Gift of a paid-up insurance policy
ii. Gift of a new or existing insurance policy, for which the donor intends to continue making payments so that the policy does not lapse.

In either case, the donor must name the Foundation as both the owner and the beneficiary of the insurance policy with the understanding that the Foundation may cash in the policy as soon as practicable, at the discretion of the Foundation. If the donor only specifies the Foundation as the beneficiary of a policy, but retains ownership, the donor has made a revocable deferred gift, which is addressed later in this policy in the Life Insurance Beneficiary Designations section.

The Foundation will not:

i. Accept ownership of term policies as they have no current cash value and seldom remain in force until the death of the insured.
ii. Accept group life insurance as it is owned by the employer. Donors may opt to name the Foundation as beneficiary of either a term or group life policy, but that would qualify as a revocable deferred gift as opposed to a current outright gift.
iii. Make premium payments on a policy.

e. Real Property

When gifts of real property, inclusive of both surface and oil, gas and mineral interest (collectively "mineral interests"), are made to The University of Arkansas Fort Smith Foundation, Inc., the acceptance of those gifts shall be in a manner consistent with the stated University policy regarding land acquisition and by consensus of the Gift Acceptance Committee. Foundation development officers must inform donors that the University of Arkansas Fort Smith and the University of Arkansas Fort Smith Foundation, Inc. may dispose of all gifts of real estate, including mineral interests, if it is in the best interest of the University. Thus, regardless of the value placed on the property by the donor's appraisal, the Foundation may attempt to sell at a reasonable price considering current market conditions, and the donor needs to be informed that any such sale occurring within three years of the date of gift will be reported to the IRS on Form 8282. In addition, the following guidelines and restrictions shall generally apply:

i. The Foundation requires a visual inspection by an approved representative of all surface real estate offered as a gift. If necessary, the opinion of a contractor should be secured if a major problem is suspected.

ii. The Foundation requires a Phase 1 Environmental Audit be conducted for all proposed gifts of a surface interest in non-residential real estate (and residential real estate if the visual site inspection or professional inspection is unsatisfactory). This is expected to be the expense of the donor. Under special circumstances, the Gift Acceptance Committee may authorize the expense of the audit provided all other conditions of acceptance are met.

iii. The Foundation requires considerable due diligence information when considering a proposed gift of mineral interests, due to the potential for extended liabilities and other considerations that would make such a gift inappropriate, whether the proposed gift is a working interest (an expense bearing interest, for which acceptance would require additional scrutiny by the Gift Acceptance Committee) and any current or potential exposure to environmental liability or clean-up or restoration obligations under relevant law. That due diligence material includes, but is not necessarily limited to a map, plat, or survey of the property, legal description of the property, proof of ownership (deed assignment), copies of current oil and gas leases (if applicable), if any, copies of division orders, if any, copies of other relevant documents, such as unit agreements, operating agreements, administrative orders from government agencies concerning environmental clean-up, restoration or operation.

iv. The Foundation will obtain a market estimate and statement of marketability from at least two (2) independent representatives, unaffiliated with the donor or any immediate or any immanent purchaser, and familiar with the type and kind of real property to be conveyed. The market estimate provides an estimate by review of comparable properties and/or mineral interest with sales occurring during a period of time that reflect current market conditions. Most real estate firms or oil and gas operators generate these at no cost. If the gift is completed, the donor is responsible for obtaining an appraisal for the IRS. The appraisal must be conducted by a qualified appraiser and meet IRS standards. The appraisal is to be made no earlier than 60 days before or later than 60 days after the date of the gift. The donor's charitable deduction is based on the appraisal and their particular tax situation.

v. Donated real estate, surface and/or mineral, shall be free of all restrictions and encumbrances that impair marketability. The title to the property should be clear of liens and unencumbered in a manner that would negatively impact the value of the gift. No gift may be accepted until all mortgages, deeds of trusts, liens and/or other encumbrances have been discharged unless in very unusual cases where the fair market value of the University's interest in the property net of all encumbrances is substantial. With respect to mineral interests, working and operating interests, which often require the interest holder to bear certain expenses, may be inappropriate. A copy of any title information in the possession of the donor, such as the most recent survey of the property, a title insurance policy, and/or an attorney's title opinion must be furnished.

A disclosure statement must be signed by the potential donor, reflecting any and all carrying costs, including but not limited to property owners' association dues, country club membership dues, transfer charges, operating expenses, environmental liability or cleanup restoration obligations, and taxes and insurance.

vi. Restrictive covenants for the use of the property shall be evaluated by the Gift Acceptance Committee. The evaluation shall be to determine factors such as limitation on marketability of the property.

vii. Prior to the acceptance of any real property which is subject of any restrictive covenant(s), approval of the Gift Acceptance Committee must be obtained.

viii. Real property, surface interest or mineral interest, which does not produce income is unacceptable. However, the Gift Acceptance Committee may recommend an exception should they feel the benefit to the Foundation will exceed any costs that may accrue. Gifts of surface rights should have a value of $20,000 or greater. In addition, gifts of oil, gas and mineral interests should generate at least $3,000 per year in royalties or other income (as determined by the average of the three years prior to the gift). Smaller values will be examined on a case-by-case basis. Gifts of timeshare property will not be accepted by the Foundation. Gifts of working or operating interest in minerals should be approached with caution and avoided as they open the Foundation up to significant potential liability.

ix. If the real property to be given is encumbered by a lease, acceptance of the gift will occur only after review of the lease by legal counsel, who will make a determination on the Foundation's benefits and liabilities.

x. Environmental concerns shall be satisfactorily addressed. If appropriate, an environmental audit and property warranties and indemnification from the donor shall be secured.

xi. All transfer costs, including warranty, title insurance, and appraisal (where required) shall be the responsibility of the donor.

xii. Proposed retained life estate agreements shall be approved by the Executive Committee of the Foundation Board on a case-by-case basis.

xiii. Title to gift property should be made to the "The University of Arkansas Fort Smith Foundation, Inc."

xiv. Approval/Acceptance Process

i. Designees of the UAFS Foundation, will submit a written summary of the proposed gift. The summary shall normally include the following information:

- ☐ Complete legal description of real property and copy of warranty deed, if possible
- ☐ Tax status of the property and any current or proposed assessment
- ☐ Current zoning and any proposed changes
- ☐ Mortgage balance, if any
- ☐ Lease or rental information, if appropriate
- ☐ Any oil, gas, mineral, or other rights that may or may not be transferred
- ☐ A map, plat or survey of any mineral interest that may be conveyed
- ☐ Any oil, gas or other mineral lease associated with any mineral interest that may be conveyed
- ☐ All division orders, unit agreements, operating agreements and other relevant operational documents for the mineral interest that may be conveyed
- ☐ Revenue and net income statements and/or summaries for mineral interest that may be conveyed for the last three (3) years
- ☐ An appraisal of the property and the two statements of marketability from the appropriate independent representatives

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- ☐ Real estate listing information if property currently on the market
- ☐ Any potential for income and expenses, encumbrances, and carrying costs prior to disposition
- ☐ Any environmental risks or problems revealed by audit or survey

ii. If a proposed gift of real property is approved, the UAFS Foundation will prepare an acknowledgement and receipt of the gift upon notice that the property has been properly recorded in the local Recorder's Office.

iii. When contacted by the donor, the Foundation's Executive Director will acknowledge the appraisal summary on IRS Form 8283 and the Foundation will retain a copy of the signed appraisal in its files. The Foundation reserves the right to obtain an additional appraisal at its own expense if it determines that it is prudent to do so.

f. Tangible Assets/Gifts In Kind

Gifts of tangible personal property, including coins (note: as used herein, the definition of "coins" does not include cryptocurrency"), automobiles, boats, books, and artwork, may be accepted by the Foundation. Such gifts shall be subject to the same basic restrictions of costs of transfer, etc., set forth above. Gifts of artwork will be subject to the Guidelines and Procedures for Donations of Artworks (attached as Appendix 1), maintained by the Chancellor's Coalition for the Visual Arts.

If the donor intends to claim a charitable deduction of more than $5,000 for a non-cash gift, either outright or in a trust, the IRS requires the donor to obtain a qualified appraisal and report a summary of that appraisal on the IRS form 8283.

When contacted by the donor, the Foundation's Executive Director will acknowledge the appraisal summary on IRS Form 8283 and the Foundation will retain a copy of the signed appraisal in its files. The Foundation reserves the right to obtain an additional appraisal at its own expense if it determines that it is prudent to do so.

The Foundation is free to sell, liquidate or repurpose any gift property at any time, unless otherwise agreed in writing. Its intention to either resell the property or to retain and use it to further its charitable activities should be made clear to the donor at the time of the gift. The Foundation will not hold gift property for more than three years simply to circumvent the IRS tax reporting requirements.

Most tangible personal property that is accepted by the Foundation with the intent to sell will result in a deduction for the donor; this deduction, in most cases will be the lesser of the cost basis or the fair market value of the item.

Donors must be informed that if a non-cash gift for which the donor was required to file form 8283 is sold within three years of the date of the gift, the Foundation, as required by law, will complete and submit IRS form 8282 to the IRS, reporting the amount for which it was sold.

g. Contributed Services

While contributed services are not recognized as contributions by the IRS, the Financial Accounting Standards Board (FASB) recognizes certain contributions of professional services, and therefore, the Foundation will enter such transactions as contribution revenue for financial reporting and donor recognition purposes. A Contributed Services Form should be completed to document the contribution of services.

h. Matching Gifts

The Foundation encourages the use of matching gifts to maximize charitable contributions. Gifts made by organizations that match the voluntary contributions of employees or other eligible participants must be credited

to the organization making the gift, not the employee that applied for the match. It is the donor's responsibility to apply for the gift. It is the responsibility of the Foundation to verify that the request is in accordance with the matching gift company's regulations for matching gifts. The Foundation, as the 501 (c)(3) organization, must sign the application.

The Foundation will strictly adhere to published matching gift rules. The Foundation may also directly contact the matching gift company if there is any question about the appropriateness of a match. Each company has its own rules regarding eligibility and designation of matching gifts.

i. Quid Pro Quo Contributions

If the donor receives benefits in return for the contribution, the full amount of the payment is recorded and reported, but the receipt amount is reduce by the fair market value of all benefits given, in accordance with IRS regulations. The IRS defines a quid pro quo gift as "a payment made partly as a contribution and partly in consideration for goods or services provided to the payer by the donor organization." The value of the benefits received by the donor is a key factor in determining the amount of the actual gift.

For quid pro quo contributions, the Foundation will recognize only the amount of the contribution that exceeds the fair market value of the goods or services received by the donor. For these types of contributions, the Foundation will follow the guidance in IRS Publications 526 and 1771. Some highlights of these regulations are:

i. The items must have substantial value to be considered benefits.
ii. Items that have insubstantial value need not be subtracted from the donor's contribution.
iii. The IRS "safe harbor" rules determine whether benefits are of insubstantial value. Those values are adjusted annual for inflation and are usually report each December. Per the IRS, a benefit will be considered insubstantial if any of the following apply:
    a. The fair market value of all benefits equal less than 2 percent of donor's contribution and fall within a cap indexed annual by the IRS ($107 in 2017).
    b. The gift is $53.50 or more (2017 threshold) and the benefits received are token items such as bookmarks, posters, mugs, etc. with the University's or Foundation's name or logo printed on them and for which the cost to the University or Foundation is $10.70 or less (2017) for all such items given.
    c. The benefits are offered to members in exchange for a payment of $75 or less and consist of rights or privileges that can be exercised frequently during the membership period (e.g. bookstore discounts or parking privileges).
iv. With the exception of the token items referred to above, the value of the benefits must be based on the fair market value of the items, rather than the cost to the University or Foundation.

j. Donor Directed and Donor Advised Funds

In some cases, individual gifts are made through other charitable foundations. To determine the correct gift source (whether individual or organization), the Foundation must determine whether the gift was made through a donor-directed fund or a donor-advised fund. With a donor-directed fund, the donor sends an asset to a financial institution for investment and safekeeping. The assets remain in the name of, and under the control of, the donor. The donor contacts the financial institution and directs it to issue a check in the name of the Foundation. In this case, the donor making the direction is the legal donor. With a donor-advised fund, the donor sends an asset to a tax-exempt organization (often affiliated with a financial institution or community foundation) as a gift to that entity. The asset is then in the name, and under the control, of that entity. The donor then contacts the charitable organization and advises it to make a gift to the Foundation. In this case, the charitable organization is the legal donor and will receive hard credit for the gift. The individual will receive a soft credit.

k. Charitable Gift Annuity

A standard charitable gift annuity (CGA) is transaction where a person irrevocably transfers to an institution some property, such as cash or securities, and the institution agrees in a contract to pay the donor or other beneficiaries (maximum allowable of two beneficiaries) a guaranteed annuity for life. A deferred payment charitable gift annuity is almost identical in construct to the standard charitable gift annuity. The significant difference is that the contract stipulates some date in the future when payments to the donor or other beneficiaries will begin. In the event a donor wishes to establish a Charitable Gift Annuity with the Foundation, the percentage of income to be paid to the donor will be consistent with procedures set forth under Arkansas law and regulations. Arkansas law requires the use of the Charitable Gift Annuities rate as determined and published by the American Council on Gift Annuities. Charitable Gift Annuities must be funded with at least $10,000 in cash or readily marketable securities and the youngest annuitant must not be under 65 years of age. Deferred charitable gift annuities may be accepted from donors of any age, but benefits are not payable until a minimum age of 65.

l. Deferred Gifts

Bequest Expectancies

Bequest expectancies are provisions in a will, trust or other testamentary legal document providing a gift to charity pursuant to applicable state law. When drafting a new will or adding a codicil to a current will, a bequest can take various forms. It can be a stated dollar amount, specific property (such as securities, real estate, or other assets), a percentage of an estate, or the residual of an estate. A bequest can also be contingent (unless accompanied by a legally enforceable contract) and not realized unless the intended beneficiary dies first or is disqualified.

Should the Foundation become an irrevocable remainder beneficiary, but the present value of the gift is not easily determined or reasonably estimated (ex. a living trust where the principal can be invaded), the gift may not be recorded into the Foundation's financial statements until such time the amounts the Foundation would be entitled to receive is able to be determined or projected. This decision would be made using input from the Foundation's auditors and legal counsel, as well as the Audit Committee.

It is always advisable to have legal counsel review a will to make sure it is valid and that all of the donor's wishes are met. State law governs wills; therefore, it is important to retain an attorney who practices in the state where the donor lives or owns real estate.

Charitable Remainder Trusts

i. A charitable remainder trust provides payments for either the life of the beneficiary or for a set period of time. The trust payments are either the same amount each year for a charitable remainder annuity trust, or, for a charitable remainder unitrust, the payments will fluctuate from year to year based on the value of the trust's assets. When the trust term ends, its remaining assets are transferred to the Foundation for use as directed by the donors.

ii. The Foundation may accept gifts of a remainder interest in charitable remainder trusts funded with cash and readily marketable securities. Trusts funded with real estate, personal property, or other assets where the value cannot be easily determined should be reviewed by the Gift Acceptance Committee. CRUT's with donor-imposed restrictions that may not serve the university's purpose or go against university policy also need to be reviewed by the Gift Acceptance Committee.

iii. According to the Foundation's bylaws, the Foundation may not serve as trustee of a charitable remainder trust.

iv. At the time the Foundation becomes the irrevocable remainder beneficiary, the present value of the gift will be recorded on the Foundation's books. The present value will be adjusted at each fiscal year-end using Planned Giving software until the Foundation actually receives the assets. Remainder amounts specified to go to an endowed fund will be recorded appropriately, however, no endowed spending policy will be allocated on this amount until the cash payout at the end of the trust term is actually received by the Foundation from the assets.

Life Insurance Beneficiary Designation

A donor may name the Foundation beneficiary of a life insurance policy without transferring ownership of that policy to the Foundation. When a donor only names the Foundation beneficiary and does not transfer ownership, he/she has made a revocable deferred gift, similar to a bequest in a will. Like a bequest, this gift is an expectancy. Naming the Foundation as beneficiary is different from making an outright gift of a life insurance policy. Please refer to the life insurance gift acceptance policy for guidelines on the acceptance of outright gifts of life insurance.

Retirement Plans/IRA Beneficiary Designations

A retirement plan provides individuals with income, or a pension, after they retire when they are no longer earning regular income from employment. Many retirement plans offer tax deferral on contributed income. Some examples of retirement plans include 401(k) plans, 403(b) plans, IRAs (both traditional and Roth), company-based pension plans and annuities. Although outright gifts from retirement plans are not tax favored under current law, in many cases naming the Foundation as a beneficiary of a retirement plan is an excellent option for donors. The manner in which the Foundation is named will depend on the type of plan and the plan administrator. Naming the Foundation as beneficiary of retirement plan proceeds is not an outright gift but an expectancy, like a bequest in a will.

n. Cryptocurrency

Currently, the Foundation is unable to accept gifts of, or hold, cryptocurrency. All gifts or donations of cryptocurrency must be converted to US Dollars before being received and accepted by the Foundation. Foundation staff should advise donors to consult with their own financial advisors concerning such gift as there may be additional tax and documentation issues beyond standard practices. If, after receiving independent advice, the donor wishes to continue to pursue the donation of the cryptocurrency, Foundation Staff may refer the potential donor to a third-party Donor Advised Fund, with a relationship to the Foundation, which may change from time to time. Fees may be associated with the donation of cryptocurrency, all of which shall be the responsibility of the donor, and reduce the value of the donation realized by the donor and/or the Foundation. Foundation staff shall not participate in any form of document preparation or other facilitation with the transfer of the cryptocurrency to the third-party Donor Advised Fund. Upon completion of the transfer to the Donor Advised Fund, it should then distribute the proceeds from the donation to the Foundation in US Dollars.

VII. Pledges

A pledge is a written or oral agreement to contribute cash or other asset to the Foundation over a stated period of time (typically no more than five years). The Foundation considers all general pledges and annual fund pledges as revocable and does not record them in the general ledger. However, pledges that are irrevocable and in writing will be recorded to the general ledger and may be discounted depending on the length of the pledge.

VIII. Naming Opportunities.

This policy is subject to all other applicable policies of the University of Arkansas, including, but not limited to Board of Trustees Policy 720.1. Likewise, all appointments to names chairs and fellowships and all scholarships are subject to all other applicable policies of the University of Arkansas; all appointment letters and notification letters should include language to this effect.

a. General Guidelines

Naming opportunities, including but not limited to named endowment funds and facilities, shall only bear the name of individuals or entities that exemplify attributes of integrity, character and leadership consistent with the highest values of the University. Should these standards be violated, the University and the Foundation reserves the right to remove the donor's/honoree's name from the fund, facility or other resource named for such individuals or entities.

In addition to any rights and remedies available at law, the Foundation may terminate any fund or gift agreement and all rights and benefits of the donor thereof, including terminating the naming:

i. In the event of any default in payment of any gift or pledge as provided in the agreement; or,
ii. In the unlikely event the Foundation determines in its reasonable and good faith opinion that circumstances have changed such that the naming chosen by the donorwould adversely impact the reputation, image, mission or integrity of the University, The University of Arkansas System, or the Foundation, in the event of a continued association with donor and the continuation of the naming provided for therein.

Upon any such termination of any such agreement and/or the naming thereunder, the Foundation, The University of Arkansas System, and University shall have no further obligation or liability to donor and shall not be required to return any portion of the gift already paid. The Foundation, however, may in its sole and absolute discretion determine an alternative recognition for the portion of the gift already received.

If the Foundation or the University determines that a change of name of any fund, facility or other resource is appropriate, the donor(s) and/or honoree(s), if available, will be informed of the intent to make such a change in writing, notice of which shall be mailed by certified mail to any person or designee identified in the gift agreement 60 days prior to the name change. In such an event, the donor, if available, in consultation with and as mutually agreed by the Foundation and the University, will have the option, for no additional payment, to have another available and equivalent fund, facility or other resource named, subject to all then in effect naming policies adopted by the Foundation and University.

b. University Properties, Facilities, Academic and Non-Academic Programs
In accordance with and in recognition of University of Arkansas - Fort Smith's institutional values, the naming of University properties, facilities, and academic and non-academic programs in honor of persons or entities that have made important contributions to enable the teaching, research, and public service mission of the University is an appropriate and worthy endeavor. All proposals for naming in recognition of a donor or an honoree shall be reviewed and approved in accordance with this policy, with related University policies and guidelines, with policies and guidelines of the University of Arkansas – Fort Smith Foundation, Inc., and with policies of the University of Arkansas System.

Any named facility or portion thereof will remain for the useful life of the structure at the University.

A proposal to rename a facility or area or to add a second name shall adhere to the criteria outlined above. In addition, these principles shall be followed:

i. Any proposal to rename a facility or area to add a second name in recognition of a gift shall be reviewed by the Foundation's legal counsel. The review shall include any gift documents pertaining to the original gift and related naming, as well as the gift documents pertaining to the subsequent gift and proposed renaming. Appropriate recognition of earlier donors and honorees shall be included in or adjacent to new and renovated facilities, as well as in re-developed areas.
ii. Should a building be demolished, replaced, or substantially renovated, and the former name is no longer warranted, the Chancellor and his/her designees, along with the UAFS Foundation, will consider new naming opportunities for any replacement or renovated structure. When possible, the UAFS Foundation will contact a family member and/or the appropriate contact person for the former namesake to inform them of the demolition, replacement, or substantial renovation of the current building. It may be appropriate to place a plaque in, or on, a new or renovated building to indicate that it occupies the site of a building formerly known by another name.
iii. When an area named in recognition of a gift will be developed for another use, the new facilities may be named in recognition of new gifts.
iv. When a facility or area is proposed for renaming, Foundation representatives will make all reasonable efforts to inform, in advance, the original donor(s) and/or honoree(s), if available.

Many donors choose to establish named endowments as a way of creating lasting legacies and ongoing resources

supporting the education of future generations. All combinations of gifts, pledges, and irrevocable deferred gift arrangements are acceptable for naming commitments.

Centers, departments, schools, colleges, and other units will not be named in honor of persons based solely on their involvement in or related to University operations. This includes members of the faculty and staff, board of visitors, Foundation Board, advisory boards, legislators, and government officials. They may be named for such persons who have retired from active employment with the University after two years have elapsed from the date of the individual's retirement.

The administrative committee on naming University facilities will advise and make recommendations to the Chancellor on appropriate names for specific center, program, department, schools, college and other units. The committee is composed of:

i. Provost and Vice Chancellor for Academic Affairs
ii. Vice Chancellor for University Advancement
iii. Vice Chancellor for Finance & Administration
iv. Vice Chancellor for Enrollment Management
v. Vice Chancellor for Student Affairs
vi. Dean or Director of appropriate college or program
vii. At-large member as designated by the chancellor (optional)

The Chancellor shall serve as an ex-officio member of the administrative committee. Under no circumstances should final negotiations take place between an administrative officer of the University and a potential donor in naming a center, program, department, school, college or unit without first seeking the approval of the committee and the Chancellor of the University.

New Buildings and Facilities	Names of buildings present special consideration for naming opportunities. In general, a building should be named as directed by a donor only if a minimum of 50% of the construction cost is secured. Buildings and facilities include, but are not limited to, buildings, streets, parking structures and lots, pathways, courts, athletic fields, parks gardens, bodies of water, and open spaces.
Building Additions and Renovations	A minimum of 50% of the projects costs is required.
Portions of Buildings	Entrances and individual rooms in new or existing buildings such as auditoriums, lecture halls, and lobbies need to be considered on a case-by- case basis. Consideration will be given to such matters as type of usage, visibility, and traffic flow.
Existing Buildings	Currently unnamed building may be named with 25% of the original cost of the building. The name on an existing facility will remain for the life of the building. The name on a facility to be demolished will not be transferred to a new facility except in such cases when a useful facility is relocated to serve the greater interest of the University. Every effort will be made to reserve naming, while the University has the right to cease it under unique circumstances.
College	To name a college, e.g., College of Business, will require a minimum endowment gift of $5,000,000

School/Department/ Center	To name a school (Example: School of Media Communication, School of Dental Hygiene), a department (Example: Early Childhood Education, Music) or a center (Example: Family Enterprise Center), an endowment commitment must be $500,000 to $2,000,000 depending upon the area named. It is important that the University balances the significance of the school, department, or center being named with the contribution made.
Endowed Chair	A gift to name a Chair will enable the University to honor or to recruit an outstanding scholar who has demonstrated the potential of making exceptional contributions to his or her discipline. Income from the endowment will provide discretionary support such as professional development, related research, and program expenses, and may be used to supplement salary depending on the amount of the gift. A minimum amount of $1,000,000 will be required.
Professorship	A named Professorship is a commitment to support scholarship within the University. A named Professorship would attract and recruit highly qualified individuals for professorships and would provide the holder with the resources to continue and further the scholar's contributions to teaching and research. Income from the endowment will provide discretionary support such as professional development, related research, and program expenses. A minimum endowment of $500,000 will be required.
Lectureship	An endowment fund for a named lectureship will provide travel expenses and fees to bring distinguished lecturers to campus. A minimum endowed gift is $100,000.
Lab and Classroom	The gift amount required for the naming of a laboratory or classroom within an existing building or new construction will be determined on a case-by-case basis. Consideration will be given to such matters as type of usage; visibility and traffic flow; the cost to maintain, replace or upgrade equipment; or the cost to refurbish an existing space.
Named Endowment	Income from named endowed funds will be used for restricted funds such as scholarships, faculty support, programs, equipment, technology, library or unrestricted funds to meet the University's most pressing needs. Whether a restricted or an unrestricted endowment, the minimum gift will be $25,000.

IX. Non-Gifts

Payments for goods or services are considered operating revenue and may not be recorded as gifts.

X. Legal and Tax Counsel - Donor

The donor should have legal and/or tax counsel representing him/her in most planned and complex outright gift transactions. If the donor requests a recommendation of counsel, the Foundation will provide the donor with no less than three viable names. If the donor wishes to proceed with a gift without the benefit of professional counsel, the Foundation staff will remind the donor in subsequent written correspondence that the Foundation does not represent his/her interests.

XI. Legal Counsel – Foundation

The Foundation shall seek the advice of legal counsel. No legal document which binds the University or the Foundation shall be executed without such advice. Likewise, all prospective donors shall be advised, and in all cases urged, to seek the counsel of their personal professional advisors, especially in areas relating to tax advice. At no time shall any person employed by the University or the Foundation unduly pressure or persuade a donor or potential donor, nor shall any employee give any advice or counsel which may be considered to be legal in nature. Such function is for counsel who alone must bear responsibility for all legal conclusions and advice.

XII. Confidentiality

Donors will be encouraged, from time to time, to notify the Foundation in writing of all gifts which they may be contemplating, especially those which may relate to their estate planning. Any such information received by the Foundation shall be kept confidential until such time as the donor gives permission for disclosure.

XIII. Custody

The Foundation Office will be the custodian of certificates and cash until stock is sold or cash is sent to the business office for deposit. The Foundation Office will also be the custodian for receipts, agreements (CGA, fund and trust), and other original documents regarding gifts. Copies of appropriate documents will be kept in the Business Office, as deemed necessary by the Vice Chancellor for University Advancement. The Vice Chancellor for University Advancement may designate a custodian of documents when deemed appropriate.

XIV. Amendments

These policies may be amended from time to time as determined to be appropriate by the Foundation directors, provided, however, that these policies shall be reviewed no less often than every two (2) years.

Revised and approved by The University of Arkansas Fort Smith Foundation, Inc. Board of Directors this 5th day of August, 2021.

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Tim Shields, Chairman Rebecca Fleck, Secretary

APPENDIX I
Guidelines and Procedures for Donations of Art Works

The University of Arkansas – Fort Smith Art Collection exists to enhance the educational mission of the University. The Chancellor's Coalition for the Visual Arts is tasked with the stewardship of the collection. The following guidelines serve to facilitate the process of accepting works of art for placement in the collection and their exhibition on campus. The Coalition will also consider and approve exhibition of works from the collection at selected off-campus sites. The Coalition Steering Committee will make recommendations to the UAFS Foundation to accept or decline donations of works of art. If the recommendation is to accept the art, the committee will identify one of three categories for acceptance: (1) acceptance into the collection for exhibition only in secured spaces on campus and at secured offcampus sites; (2) acceptance as public/decorative art to be displayed in approved locations on campus; and (3) works accepted with the provision that the University may choose to sell or trade these works at a future date for enhancement of the collection.

Category 1: Acceptance into the collection based on the needs of the university

The University of Arkansas – Fort Smith and the UA Fort Smith Foundation accept gifts of fine and decorative art work to benefit and support the educational mission of the University. All reasonable care and available resources will be dedicated to securely exhibiting and caring for all works in the collection.

The University of Arkansas – Fort Smith and the UA Fort Smith Foundation accept gifts of fine and decorative art work to benefit and support the educational mission of the University. All reasonable care and available resources will be dedicated to securely exhibiting and caring for all works in the collection.

In order to be considered for full acceptance into the collection, works of art must meet the following criteria:

- The work must be an original creation.
- The work must have adequate documentation to prove clear title and transparent provenance (works of art in potential conflict with the UNESCO Convention, NAGPRA, or national protection acts may not be considered for acceptance).

- Works must be by noteworthy artists who demonstrate sound artistic merit, have contributed to pedagogical practice on a university or art school level, and have created a substantial body of work.
- Works must be of sufficient condition to withstand study, interpretation, and periodic exhibition.
- Works must be of a size and nature to allow for reasonable storage, security, and costs within the budget restrictions of the University.

Category 2: Public/Decorative art for display on campus

The University of Arkansas – Fort Smith and the UA Fort Smith Foundation accept gifts of decorative art for display in and around campus facilities. These works are not intended to be part of the primary collection but have value as decorative and ornamental additions to the campus buildings and exterior spaces to enhance the aesthetic qualities of the campus.

- The work must have adequate documentation to prove clear title and transparent provenance.
- The work must be of high quality and must be compatible with existing campus environments.
- The work must be in sufficient condition to withstand continuous display in public places.
- The work must be suitably and securely matted and/or framed with an appropriate hanging device, and mounted or presented in a fashion appropriate to the medium, or be accompanied by funds for that provision.

The University does not place works of art on display "permanently." All works, even commissioned installations or site specific works may be relocated or removed from view based on the judgment of the Director and curatorial staff.

Category 3: Works to enhance the educational collection

The University of Arkansas – Fort Smith and the UA Fort Smith Foundation accept gifts of works of art that do not meet the general criteria for inclusion into the collection or for display as public/decorative art on campus. These works will be accepted with the provision that the University or Foundation may sell or trade these works for the enhancement of the collection. Works in this category may also include works valued at such a high level that the University does not have the financial or physical means to maintain and secure the work in an appropriate manner.

Procedures for Acceptance of Works of Art

1. UA Fort Smith Foundation staff will review gift acceptance guidelines with potential donors.
2. Donors will be advised that approval of donations is by committee, and it is requested that the work be deposited at the UA Fort Smith Foundation office on approval or that photographic reproductions of the object be supplied.
3. The Foundation will make arrangements to bring the artwork to the Gift Acceptance Committee of the Chancellor's Coalition for the Visual Arts.
4. The Gift Acceptance Committee will review the artwork to determine alignment of the gift with the collection goals and objectives, and establish a reasonable financial commitment to provide for gift maintenance. A date of not more than 30 days from the date the artwork was brought to campus by the donor will be extended to the Committee to make the determination.
5. The Committee will make a recommendation to the Steering Committee of the Coalition which will make a final decision on acceptance.
6. Upon approval of the gift, the Foundation will prepare two completed signed copies of the Deed of Gift. These are sent to the donor with instructions to sign both copies, and return one to the Foundation along with a copy of the purchase title, a statement of fair market value*, and a brief summary of ownership history (provenance). The donor is to keep one Deed.
7. Upon receipt of the signed Deed, the Foundation will forward a copy to the Curator and a copy to the Business Office for assignment of accession number.
8. The date of acquisition is either the postmark date on the envelope returning the signed Deed of Gift form, or the date on which the Deed of gift is hand-delivered to UA Fort Smith.
9. The Foundation will provide a letter of acceptance to the donor. The Foundation will provide a letter of thanks to

the donor from the Coalition.

10. When the process is completed, a letter, or email, will be sent to the Chancellor's Coalition members to let them know of the new gift.

❖ Gifts with fair market values of more than $5,000 must be accompanied by an appraisal determined by a qualified independent appraiser, as requested by IRS, section 170(f)(11). Appraisals will be the responsibility of the donor. Gifts of $5,000 or less must have one of the following:
- An appraisal by a qualified independent appraiser, as defined in section 1219(c) of the Pension Protection Act of 2006.
- A bill of sale (sales tax excluded).
- An invoice or copy of the check or personal credit card statement showing payment (sales tax excluded).
- A statement provided by the University for a charity auction, identifying the purchaser's winning auction bid.

No appraisal from a faculty or staff member of the University will be accepted.

Committee Structure

Steering Committee

The role of the steering committee is to help the CCVA function efficiently and effectively. Its primary charge is to establish goals and objectives through strategic planning, oversee progress toward goals articulated in the strategic plan, make recommendations to the Foundation to accept or decline works of art, and to appoint members to serve on the gift acceptance committee, the advisory committee, the collections committee, the fundraising committee, the exhibitions committee, and the marketing committee.

Membership
- Chair (dean of the college of Communication, Languages, Art and Social Sciences)
- Vice-chair (chair of UAFS Art department)
- Office administrator as appointed by chancellor's office
- Associate Vice Chancellor for Campus and Community Events
- Chancellor (ex-officio)
- Vice Chancellor University Advancement (ex-officio)
- Development office representative (ex-officio)

Gift Acceptance Committee

The role of the gift acceptance committee is to make recommendations to the steering committee regarding acquisition, assessment, and acceptance of works of art. The chair shall be appointed by the executive director of the UA Fort Smith Foundation, Inc. There shall be 2-3 additional committee members appointed by the chancellor, including a representative of the UA Fort Smith Foundation, Inc.

Advisory Committee

The role of the advisory committee is to serve as advocates for the CCVA in the community and region. The advisory committee shall also provide counsel to the steering committee on matters related to the collection, fundraising, and marketing. Committee members shall be appointed by the steering committee for one (1) year terms.

Collections Committee

The role of the collections committee is to recommend to the gift acceptance committee works of art to be considered for inclusion into the collection based on acceptance criteria in this document. Members shall include the chair of the UA Fort Smith art department, two (2) art faculty, and three (3) additional committee members appointed by the chancellor.

Fundraising Committee
The CCVA Steering Committee and Advisory Committee will partner with the UA Fort Smith Foundation to raise funds from public and private sources to help CCVA achieve its strategic priorities.

Exhibitions Committee
The role of the exhibitions committee is to identify, arrange, and maintain special and ongoing exhibitions. Members shall include the associate vice chancellor for campus and community events and three (3) additional committee members as appointed by the steering committee.

Marketing Committee
The role of the marketing committee is to establish public awareness of the of the Chancellor's Coalition for the Visual Arts within the region. A representative from the UA Fort Smith marketing department shall serve as chair with other members being appointed by the steering committee.

APPENDIX II
Naming Opportunities and Funding Levels

You may endow and name the following:

Buildings and Facilities, New Construction/Renovations/Additions	50% of Construction Cost
Building, Existing	25% of Construction Cost
College	$5,000,000 +
School/Department/Center	$1,000,000 +
Endowed Chair	$1,000,000
Professorship	$500,000
Laboratory	To be determined on a case-by-case basis.
Lectureship	$100,000
Classroom	To be determined on a case-by-case basis.
Named Endowment	$25,000
Named Scholarship Endowment	$25,000

Naming Opportunities and Funding Levels

Endow and name the Season of Entertainment	To provide additional support which will allow the university to offer higher level shows	$5,000,000
Endow and name the Season of the Arts	To provide support for large and small on campus shows to include shows for venues such as; the green; the amphitheater, Stubblefield and the Blue Lion with the purpose of providing events, low cost or free of charge, for our community	$3,000,000
Endow and name UAFS Gallery Series	To provide funds to bring noted gallery exhibits to campus	$1,500,000
Endow and name UAFS Speakers Series	These funds will be used to bring speakers of note to campus and the community	$1,500,000
UAFS Visual and Performing Arts student and faculty endowment	To provide support for students and faculty studying and teaching in the areas of visual and performing arts. The funds will be used for professional development, for pedagogical development, for learning in the pursuit of the arts and for such things as costs for costumes, sets, and competitions.	$1,000,000 - recommended

Naming of Scholarships

Endowed Scholarships

Scholarship endowments may be established for $25,000 or more. The donor may choose to pay that out over a period of five years with a signed pledge form. The Foundation invests endowed funds, and then uses a spending policy formula that takes into account the market value of the endowment as well as spending history to determine the amount of investment earnings that may be spent on scholarships. Only a portion of the earnings will be spent each year, and the remainder is reinvested into the principal of the endowed fund so it continues to grow and generate more earnings each year. The donor may establish criteria for selecting the scholarship recipient. The criteria, however, may not discriminate based upon race, sex, national origin, handicap, or any other basis prohibited by federal, state, and local laws, or be too restrictive that it makes it difficult to award. Once the endowment has accumulated sufficient earnings, the scholarship will be awarded to the same student(s) for up to 8 semesters as long as the renewal requirements are met.

Outright Scholarships

Outright scholarships are those than can be awarded immediately and in their entirety. Only gifts of $5,000 or more that go into the general scholarship fund will be named for a donor and matched with a specific student. Those scholarships will be named for one academic year. Therefore, if a donor gives $5,000 two years in a row, they may not be paired with the same student for both years. One time gifts to the general scholarship fund will be awarded based on the foundation general scholarship guidelines.

To create a named, outright fund, the donor must agree to an annual gift of $2,000 for 5 years or more, for a commitment of at least $10,000. A fund agreement will be made at that time and a pledge form submitted. The donor may establish criteria for selecting the scholarship recipient. The criteria, however, may not discriminate based upon race, sex, national origin, handicap, or any other basis prohibited by federal, state, and local laws, or be too restrictive that it makes it difficult to award. The fund will be named according to the donor's wishes. Once the fund is depleted and no more gifts are made, the awarding of that scholarship ceases.

UNIVERSITY of ARKANSAS – FORT SMITH
FOUNDATION

Information Disclosure
-POLICY-
of
University of Arkansas – Fort Smith Foundation, INC.

The University of Arkansas Fort Smith Foundation, Inc. (the "Foundation") is committed to making information about its programs and operations available to the public. The Foundation considers public access to information a key component of effective participation of all stakeholders, including the public, in the success of its mission.

This Information Disclosure Policy (the "Policy") is intended to ensure that information concerning the Foundation programs and operations is available to the public, except for limited information that is deemed confidential as set out in this Policy.

The University of Arkansas Fort Smith Foundation, Inc. will make available for public inspection the following documents:

- o Articles of Incorporation;
- o Bylaws;
- o Application for Recognition of Exemption, Form 1023;
- o Determination Letter;
- o Annual Return of Tax Exempt Organization, Form 990, for three (3) Years, excluding Schedule B;
- o Exempt Organization Business Income Tax Return, Form 990T for three years;
- o Charitable Organization Application for Registration-Arkansas;
- o Charitable Organization Annual Financial Report-Arkansas;
- o Most recent Audit Report;
- o Application for Charitable Annuity Permit with Exhibits-Arkansas;
- o Annual Statement for Charitable Annuity Permit Holders-Arkansas (includes Organization Chart, Directors, Audited Financial Statements, Investment Standards, and Reserves Calculation Method);
- o All Official Policies of the Foundation

Copies of documents will be provided immediately in the case of in-person requests. Requests received by written, phone, fax or e-mail means will be honored within thirty (30) days. The Foundation reserves the right to charge a reasonable copying fee plus actual postage for multiple copies requested from the same individual or related group of individuals.

While the Foundation is committed to having an open and transparent disclosure system in place, there are legal, operational and practical considerations that are necessary to preserve the Foundation's interests, as well as those of its directors, officers, staff and its donors. Information under the following categories is deemed confidential and not available to the public:

- Names and addresses of Foundation donors and the amount of any gift.
- Personnel records to the extent that disclosure would constitute a clearly unwarranted invasion of personal privacy including health related information, job performance records, suspension or termination proceedings.
- Strategic planning materials including reports, recommendations, investigations, interoffice or intra-office documents (including e-mails and draft documents) and analysis.
- The Foundation believes that disclosure of strategic planning materials would be harmful to the mission of the Foundation.
- Accounting records. Without an independent audit or review of the accounting books and records and the information from which they are prepared, the Foundation believes that it would be unwise to make them available to the public.
- Minutes of proceedings by the Foundation Board of Directors and its Committees;
- Information received from, or sent to, third parties under an expectation of confidentiality.

Reviewed and approved by The University of Arkansas Fort Smith Foundation, Inc. Board of Directors this 5th day of November, 2015.

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John R. Taylor, Chair Tim Shields, Secretary

UNIVERSITY of ARKANSAS – FORT SMITH
FOUNDATION

Investment
-POLICY-
of
University of Arkansas – Fort Smith Foundation, INC.

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I. Purpose

The Board of Directors (the Board) of the University of Arkansas Fort Smith Foundation, Inc. ("Foundation") hereby acknowledges a responsibility to manage the assets of the Foundation's investment portfolio in a prudent fashion in accordance with the Foundation's bylaws and purposes and sound investment principles. As such, the Board prescribes the following guidelines for its stewardship of the funds.

These guidelines relate to those gifts and donations in the form of endowments with long term benefit objectives, both permanent and term endowments, and to those monies set aside and designated by the Board as quasi-endowments, as well as temporarily and unrestricted non-endowed assets.

The purpose of the Foundation investment portfolio is to hold, invest, reinvest and administer any gifts, bequests, devices, benefits of trusts, property of any sort without limitations as to any amount or value, and to use, disburse and donate the income or principal thereof to the sole benefit of the University of Arkansas Fort Smith; to promote education and other related activities of the said university. This purpose may be achieved by supporting the educational mission of the University of Arkansas Fort Smith through a reliable source of funds for current and future use (intergenerational equity). The earnings from the Foundation's investments will support priorities such as scholarships, chairs, professorships, technology, the library, facilities, cultural arts as well as the Foundation's operating budget.

The Foundation's endowment assets have an indefinite time horizon that runs concurrently with the existence of the University in perpetuity. The Foundation's temporarily restricted and unrestricted non-endowed assets will be prudently managed consistent with the time horizon associated with the assets. The Board of Directors ("Board") has a fiduciary responsibility to manage the Foundation's assets prudently and preserve the purchasing power of the Foundation in order to support present and future beneficiaries.

The purpose of the Investment Policy Statement is to provide a framework and philosophy for the prudent management of the Foundation's investment assets. It is meant to assist the Board in effectively supervising and monitoring the investments of the Foundation.

The Board has delegated the management of the Foundation's investment portfolio to the Investment Advisory Committee ("Committee"). This Policy applies to all assets included in the Foundation's investment portfolio.

II. Fiduciary Duty

In seeking to attain the investment objectives set forth, the Committee shall exercise prudence and appropriate care in accordance with the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as adopted by the state of Arkansas. UPMIFA requires fiduciaries to apply the standard of prudence "about each asset in the context of the portfolio of investments, as part of an overall investment strategy." All investment actions and decisions must be based solely on what is in the best interest of the Foundation.

As summarized for the purposes of this Investment Policy only, and not to impose any additional obligations other than those set forth in UPMIFA as adopted by the state of Arkansas, the Board is under a duty to the investment portfolio to manage the funds as a prudent investor would, in light of the purposes, scope, objectives and other relevant circumstances. This standard requires the exercise of reasonable care, skill and caution be applied to investments not in isolation, but in the context of the portfolio as a whole and as a part of an overall investment strategy having risk and return objectives reasonably suited to the investment portfolio. In making and implementing investment decisions, the Board has a duty to diversify the investments unless, due to special circumstances, the board deems that the purposes of the investment portfolio are better served without diversifying.

III. Roles and Responsibilities

Board of Directors

The Board has the ultimate fiduciary responsibility for the Foundation's investment portfolio. The Board must ensure that appropriate policies governing the management of the Foundation are in place and that these policies are being effectively implemented. To implement these responsibilities, the Board sets and approves the Investment Policy Statement and delegates responsibility to the Investment Advisory Committee for implementation and ongoing monitoring.

Investment Advisory Committee

The Board has established the Committee with members appointed by the Board. Under delegation for the Board, the Committee is responsible for implementing the Investment Policy as well as oversight of the Foundation's investment portfolio. The Committee's responsibilities include:

a. Establishing reasonable and consistent investment objectives, policies, and guidelines that shall direct the investment of the portfolio's assets.
b. Prudently and diligently selecting qualified investment professionals to assist the committee and the Board in their duties
c. Prudently establishing the scope and terms of the relationship between any selected investment professional, consistent with the Purposes of the Board and the Foundation.
d. Determining the portfolio's risk tolerance and time horizon, including those of the underlying investment funds, and communicating these to appropriate parties.
e. Regularly evaluating the performance of the portfolio and its underlying funds to assure adherence to policy guidelines, monitoring investment objective progress, and accounting for investment costs and expenses.
f. Developing and enacting proper control procedures for such reviews.
g. Conducting and communicating to the Board the results of all investment performance reviews, whether held annually or more frequently.
h. Review the Investment Policy annually with the Investment Staff and Investment Consultant.

Investment Staff

Investment staff ("Staff") will consist of the Executive Director of the Foundation and Vice Chancellor for Finance & Administration and their designees, including but not limited to the Director of Foundation Financial Operations, the Controller, and the Director of Payroll and Accounting Services. Staff is responsible for executing the policies and decisions enacted by the Committee as well as the general daily activities and administration of the Foundation's assets. The Staff's responsibilities include:

a. Rebalance the portfolio within the ranges approved by the Committee and in accordance with the guidelines established in the rebalancing policy of this document.
b. Fund the spending, capital calls and cash distributions as appropriate.
c. Execute any documents necessary to facilitate implementation of the Investment Policy.
d. Maintain quarterly summary of investment activity.
e. Prepare analysis and recommendations for the Committee on development of policies and guidelines.
f. Provide overall monitoring of the Investment Consultant and Investment Managers. Ensure they are conforming to the terms and conditions of their contracts as well as providing timely and accurate information.
g. Review the Investment Policy annually with the Committee and Investment Consultant.

Delegation of Authority

The Committee may delegate investment related activities to qualified industry experts, but will be responsible for the selection and oversight of the vendors.

Investment Consultant

The consultant is a discretionary advisor to the investment committee. Advice concerning management of the investment portfolio is offered by the consultant and must be consistent with the investment objectives, policies,

guidelines, and constraints as established in this IPS document.

In its discretionary capacity, the consultant will:

- Assist the investment committee in establishing investment policy, objectives, and guidelines;
- Select and remove managers;
- Review managers' performance over time; measure and evaluate investment performance relative to benchmarks; and other tasks as deemed appropriate.
- The consultant will inform the investment committee regularly of changes in the overall economy and in the capital markets which may impact portfolio construction.
- In addition, the consultant shall have discretion to rebalance the underlying funds' portfolios within the stated allocation range guidelines (Addendum 1). Should a manager fail to adhere to the guidelines stated below, the consultant has the authority to remove and replace the manager without advance notice; however, the consultant shall communicate such matters to the investment committee at its next scheduled meeting.

The investment consultant represents that with respect to the performance of its duties under this IPS, it is a fiduciary and is registered as an investment advisor under the Federal Investment Advisors Act of 1940 (the "Advisors Act") and will perform the duties set forth hereunder consistently with the fiduciary obligations imposed under the Advisors Act, and regulations promulgated thereunder and any interpretations thereof by the U.S. Securities and Exchange Commission.

Investment Custodian

The Consultant will assist the Committee and hire a Custodian for the Foundation's investments to establish and maintain direct account relationships with each investment manager and perform standard custodial functions including security safekeeping, collection of income, settlement of trades, collection of proceeds for maturing securities, distribution of income and daily investment of cash. The Custodian will provide monthly account statements and other reports as requested by Staff.

Investment Managers

The Committee will delegate the selection, purchase and sale of individual securities to qualified industry experts. Each individual investment manager will exercise discretion over assets in accordance with specified investment guidelines.

Investment managers that utilize a separate account to manage Foundation assets will adhere to specific investment manager guidelines established by the Staff with the assistance of the Investment Consultant. All investment managers' guidelines are located in Appendix D of the Policy.

Investment managers that utilize a mutual fund, commingled trust fund or limited partnership structure will have discretion to manage the assets in accordance with policies and guidelines outlined in the respective mutual fund's prospectus, commingled fund's offering memorandum or limited partnership's private placement memorandum.

Proxy Voting

The Committee delegates full authority for proxy voting to its investment managers for the securities under their discretionary authority and requires the investment managers to vote all proxies in the best interest of the Foundation.

Proxy voting related to the governance issues regarding investment managers hired to manage Foundation assets, and their related investment legal structure, terms and conditions, will be voted on by the Staff in the best economic interest of the Foundation. The Staff may solicit assistance of the Investment Consultant on related issues.

IV. Investment Objectives

The Board has established the following investment objectives for the Foundation:

1. The foundation will seek to maximize long-term total return consistent with prudent levels of risk.
2. To preserve and enhance the purchasing power of the Foundation to provide adequate funds to sufficiently support designated University activities over time. Provide a reliable source of funds for current and future beneficiaries (intergenerational equity).
3. The Foundation is targeting a total annualized real return (after inflation) of 5% per year over full economic market cycles.
4. Maintain a well-diversified investment portfolio that reduces the volatility of the portfolio; such diversification is designed to enhance return and reduce risk to acceptable levels.
5. The assets will be managed on a total return basis.
6. Maintain a balance between investment objectives and liquidity needs. Liquidity is necessary to meet the spending policy and other spendable fund requirements.

V. Endowed Spending Policy

Spending Rate

The annual spending rate for endowed funds is determined by a total return approach with utilizes both income and capital appreciation to be withdrawn for spending. The Foundation's spending policy, in concert with the target asset allocation for the Investment Policy, is intended to support current and future program needs for the University and allow the Foundation value to grow at least equal to annual inflation. The Committee has established an annual spending policy below…

• Up to a maximum of 5% of the prior 20 quarters moving average market value

VI. Investment Polices

Time Horizon

The Foundation has a long-term investment horizon and can allocate assets accordingly. It is recognized that a strategic long-term asset allocation plan implemented in a consistent and disciplined manner will be the major determinant of the Foundation's investment performance.

Diversification

To achieve its investment objective, the Foundation funds will be allocated among a number of assets to ensure proper diversification. Investment diversification is important to limit risks that include return volatility and magnitude of potential losses. Equity investments will be diversified by market capitalization, style, industry and country. Fixed income investments will be diversified by market sector, maturity, credit quality and issuer. Alternative investments will be diversified by strategy.

Risk

Risk management of the investment program is focused on understanding both the investment and operational risks to which the Foundation is exposed. The objective is to minimize operational risks and require appropriate compensation for investment risks which the Foundation is willing to accept.

Derivatives

The Foundation understands investment managers maintain the ability to utilize derivatives for portfolio management. All investment managers are governed by the guidelines outlined in the respective prospectus, offering memorandum or private placement memorandum. The Foundation does not use derivatives as an active overlay for asset allocation.

Asset Allocation
Based upon the underlying needs and circumstances of the Foundation, the Committee has determined the following asset allocation targets:

Asset Class	Target	Range
Total Capital Appreciation	70%	65 – 75%
Total Capital Preservation	30%	25 – 35%
Total Portfolio	100%	

Capital Preservation securities are meant to lower the return volatility of the portfolio, provide diversification and stability, especially during periods of weak equity markets. Capital appreciation assets are meant to help grow the real value of the portfolio over time.

Rebalancing
The Committee intends to maintain the asset class allocations within the target ranges outlined above. Allocations will be reviewed at least on a quarterly basis to determine if rebalancing transfers between asset classes are necessary.

VII. Implementation & Evaluation

Long term objectives have been established against which the performance of the investment policy is to be measured. Because the capital markets fluctuate, the viability of the asset allocation is to be judged over a period of a full market cycle (generally three to five years).

Total Foundation performance will be measured against:
1. The long-term investment objective of the Foundation is to attain a real (inflation adjusted) total return, net of fees, at least equal to the 5% spending rate or CPI plus 5%.
2. The primary market benchmark will be evaluated on a rolling three-year basis against a weighted market benchmark: 70% MSCI ACWI and 30% BC Aggregate Bond Index.
3. The secondary market benchmark is a policy benchmark consisting of passive indices reflecting the Foundation's strategic target asset allocation percentages (see Appendix for detailed information).

Investment Manager Performance
It is the intent of the Committee to hire investment managers specializing in market segments to achieve the target asset allocation. The Foundation seeks to attain investment results over a full market cycle. The Committee understands that investment manager's total return during any single measurement period may deviate from the long-term return objective.

The individual manager's performance will be measured against:
1. The manager's specific passive index identified in the investment manager guidelines (see Appendix D for detailed information).
2. A peer group universe of similar investment styles.

It is expected within each asset class the individual manager should exceed the passive index and should be above median against appropriate peer group universe.

Revised and approved by The University of Arkansas Fort Smith Foundation, Inc. Board of Directors this 11th day of February, 2021.

Tim Shields, Chair

Dr. Rebecca Fleck, Secretary

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Appendix A
Refers to Section VII: Investment Program Return Parameters

A. External Market Benchmarks used to evaluate ongoing Total Fund, Capital Appreciation Segment, and Capital Preservation Segment performance include:

Market Benchmark	Total Fund (%)	Capital Appreciation (%)	Capital Preservation (%)
Russell 3000 Index	28%	38%	- -
MSCI All Country World x U.S. Index	16%	21%	- -
HFRX Absolute Return	20%	27%	- -
Cambridge PE Index	10%	14%	- -
BC Aggregate Bond Index	20%	- -	75%
ML High Yield Index	4%	- -	15%
ML 1-3 Year Treasury Index	2%	- -	10%
Total Portfolio	100%	100%	100%

B. The Market Benchmarks serve as a proxy for capital market performance based on the asset allocation policy. The Market Benchmarks may not necessarily reflect the Investment Program's actual asset allocation structure due to capital market movements.

C. Weighted Index Benchmarks used to evaluate ongoing Total Fund, Capital Appreciation Segment, and Capital Preservation segment performance represent each of the Program's investment manager's benchmarks weighted by the target allocations within the Total Program.

Appendix B
Refers to Section VII: Investment Style Diversification

Capital Appreciation Style Guidelines		
Capital Appreciation Style	% of Capital Appreciation	% of Total
U.S. Equity Large-Cap	25%	17%
U.S. Equity Sm/Mid Cap	15%	11%
Non-U.S. Equity Developed	19%	13.5%
Non-U.S. Equity Emerging	3%	2%
Hedge Funds	25%	20%
Private Equity/Real Estate	13%	10%
Total Capital Appreciation	100%	73.5%
Capital Preservation Style Guidelines		
Capital Preservation Style	% of Capital Preservation	% of Total
Core Bonds	75%	20%
Opportunistic/HY Bonds	17%	4.5%
Short-Term Bonds	8%	2%
Total Capital Preservation	100%	26.5%

Note: The capital appreciation and capital preservation style allocations are intended to serve as guidelines for

diversification purposes but are not strict investment policy mandates. The Investment Program's actual allocations will likely fluctuate based upon capital market conditions.

Appendix C
Refers to Section VII: Investment Manager Benchmarks

Capital Appreciation Managers		
Equity	Style	Benchmark
Vanguard S&P 500 Index	U.S. Large Cap	S&P 500 Index
Jennison	U.S Large Cap	Russell 1000 Growth
Bahl and Gaynor	U.S. Large Cap	Russell 1000 Value
Earnest	U.S. Mid Cap	Russell Midcap Value
Geneva	US Sm/Mid Cap	Russell 2500 Growth
Silvercrest	US Sm/Mid Cap	Russell 2500 Value
Cambiar	Non-U.S. Developed	MSCI EAFE
Jennison Intl	Non-U.S. Developed	MSCI EAFE
iShares EAFE	Non-U.S. Developed	MSCI EAFE
Martin Currie	Emerging Markets	MSCI EM
Real Assets		
Wellington Management Co.	Diversified Real Assets	Barclays Commodity Index
Warwick Partners	Private Real Assets	Russell 3000 Index + 3%
Hedge Funds Directional		
Alkeon	Equity Long/Short	HFRI Equity Hedge Index
Marshall Wace	Equity Long/Short	HFRI Equity Hedge Index
Millennium	Multi-Strat	HFRX Absolute Return
Shannon River	Equity Long/Short	HFRI Equity Hedge Index
Marathon Asset Mgmt (ECO I)	Credit	Cambridge PE
Private Equity/Real Estate		
Portfolio Advisors Fund VI	Multi-Strategy (PE)	Cambridge PE
Oaktree RE Fund VI	Real Estate	Cambridge PE
MHR Fund III	Credit (PE)	Cambridge PE
Marathon Asset Mgmt (ECO II)	Credit (PE)	Cambridge PE
Siguler Guff Fund III	Private Equity	Cambridge PE
Horsely Bridge XIII	Private Equity	Cambridge PE
Crow Holdings Fund VII	Real Estate	Cambridge PE
Crow Holdings Fund VIII	Real Estate	Cambridge PE
Capital Preservation Managers		
Fixed Income	Style	Benchmark
Blackrock	Intermediate Bonds	BC Aggregate Bond Index
Blackrock	High Yield Bonds	ML HY Index
JP Morgan	Short Duration Bonds	ML 1 – 3 Year Tsy

UNIVERSITY of ARKANSAS – FORT SMITH
FOUNDATION

Record Retention and Disposition
-POLICY-

of

University of Arkansas – Fort Smith
Foundation, INC.

I. Purpose

The University of Arkansas Fort Smith Foundation, Inc. is subject to numerous record retention requirements that are mandated by federal, state, and internal regulations. The record retention and disposition policy has the following objectives: 1) Ensure effective records management in compliance with federal and state laws and regulations; 2) Ensure donor privacy; 3) Optimize staff time, resources and space by removing inactive or obsolete materials from files, thereby releasing equipment and facilities for other uses and avoiding further acquisition of file space; and, 4) Maintain a regular, controlled flow of records from offices to destruction or storage.

II. Policy

1. Definition

The term "record" shall mean any information or data that is received or made by the Foundation officers or staff in the course of their duties which is recorded in any medium including, but not limited to, physical paper in files, such as memos, contracts, and reports; electronic communication such as email content and attachments and voicemail messages; content on web sites, PDAs, mobile devices, desktops, and servers; information/data captured in various databases; handwriting, typewriting, printing, photocopying, transmitting by electronic mail or facsimile; any record thereby created, regardless of the manner or media in which the record has been stored and/or created; and backups of electronic information.

The term "electronic document" means any record that is created, received, maintained, or stored on any University computing equipment or storage device. Electronic documents are to be maintained subject to the same schedule as paper-based documents and are subject to discovery during audits and investigations.

2. Ownership

All records are the property of the Foundation and may not be removed, destroyed, mutilated, transferred, or otherwise damaged or disposed of, in whole or in part, except as provided by this policy. Outgoing officials and employees will not remove any records from the Foundation. The Foundation expects all employees and other persons who generate and access Foundation records to fully comply with this policy.

3. Confidentiality Requirement

Records containing confidential and personal data will be accessed only by authorized persons, maintained in secured and/or locked locations, and destroyed by appropriate methods.

4. Review of Policy

This policy will be reviewed annually by the Audit Committee of the Foundation. All material changes to the policy shall be approved by the Committee and submitted to the Foundation Board of Directors for final approval.

III. Records Storage

Records may be stored within the Foundation office, the University business office, or they may be sent to a long-term storage facility. Records will be stored in a protected environment for the duration of the Record Retention Schedule.

IV. Records Retention

All Foundation documents must be maintained in accordance with the attached document retention tables for The University of Arkansas Fort Smith Foundation, Inc. and the departments of University Advancement and Alumni Affairs.

V. Records Destruction

As required and/or scheduled, disposal and destruction of records is to occur in one of the following ways:

1. Recycle non-confidential paper records.

2. Shred or otherwise render unreadable confidential paper records
3. Erase or destroy electronically stored data

VI. Email Communication

Email communication is an integral part of the official business communication of University Advancement. Emails sent or received contain information about business activities and therefore can function as evidence of business transactions.

All email messages created using University systems are University property. Courts have accepted email as a legitimate source of evidence, and it is therefore subject to legal processes such as subpoena. Subsequently, emails are considered official business communication when they provide evidence of University business activities (e.g., directives regarding policy or procedural issues, business transactions, receipts, etc.), and in such cases, should be printed/scanned and retained in accordance with departmental retention schedules.

Informational messages with a business context but not part of a business transaction (e.g., meeting invites, etc.) as well as personal or social messages should be destroyed as part of normal operating procedures. While retained on the University's electronic messaging system, such messages are subject to legal processes.

VII. Provision of Documentation for Investigations or Litigation

Foundation records relevant to litigation, or potential litigation (i.e., a dispute that could result in litigation), must be preserved until it is determined that the records are no longer needed. This exception supersedes any previously or subsequently established destruction schedule for those records. No documents will be concealed, altered or destroyed with the intent to obstruct the investigation or litigation.

VIII. Retention Schedule

Associated with this policy document are 9 schedules, namely:
1. Corporate Records
2. Financial Records
3. Tax Records
4. Personnel Records
5. Insurance Records
6. Contracts
7. Management Plans and Procedures
8. Biographical and Relationship Management Records
9. Gift Processing Records

CORPORATE RECORDS

Document	Retention Period	Location
Article of Incorporation to apply for corporate status	Permanent	FA 207
IRS Form 1023 to file for tax-exempt and/or charitable status	Permanent	FA 207
Bylaws	Permanent	FA 207
Board Policies	Permanent	FA 207
Corporate Resolutions	Permanent	FA 207
Board Meeting Minutes	Permanent	FA 207
Tax Identification Number Designation	Permanent	FA 207
Annual Corporate Filings	Permanent	FA 207
Income Tax Exemption Documents	Permanent	FA 207

FINANCIAL RECORDS

Document	Retention Period	Location
Chart of Accounts	Permanent	Business/Finance Office
Fiscal Policies and Procedures	Permanent	Business/Finance Office
Audits	Permanent	Business/Finance Office
Financial Statements	Permanent	Business/Finance Office
General Ledger	Permanent	Business/Finance Office
Accounts Payable records	7 years	Business/Finance Office
Accounts Receivable and Cash Receipt Records	7 years	Business/Finance Office
Bank Statements and Reconciliations	7 years	Business/Finance Office
Investment Statements and Related Documents	7 years	Business/Finance Office
Credit Card Receipts	7 years	Business/Finance Office
Endowment Records (including trusts, bequests, wills)	Permanent	Business/Finance Office
Fixed Asset Records	Permanent	Business/Finance Office
Gift Records/Agreements	Permanent	Business/Finance Office
Interdepartmental Transfers Forms	7 years	Business/Finance Office

TAX RECORDS

Document	Retention Period	Location
IRS Form 990	Permanent	Business/Finance Office & FA 207
IRS Form 1099	Permanent	Business/Finance Office & FA 207
Payroll Records	7 years after termination	Business/Finance Office & FA 207
W-2 Statements	7 years	Business/Finance Office & FA 207
Income Tax Exemption Documents	Permanent	Business/Finance Office & FA 207

PERSONNEL RECORDS

Document	Retention Period	Location
Discrimination Complaints	5 years or final disposition of charge/action, whichever is greater	Human Resources FA 235 (blend of electronic & hard copies stored in Human Resources office)
Benefits Records	5 years after separation or until closure of any unresolved personnel issues, whichever is greater	Human Resources FA 235 (blend of electronic & hard copies stored in Human Resources office)
Recruitment, Hiring, Interview, and Selection Records	3 years from date position is filled or until final disposition of any charge or action, whichever is greater	Human Resources FA 235 (blend of electronic & hard copies stored in Human Resources office)
Employee Medical Records Associated with OSHA	N/A	N/A
Employee Tax Records and Supporting Documents	7 years	Business/Finance Office
Family Medical Leave Act (FMLA) Records	3 years after separation or until closure of any unresolved personnel issues, whichever is greater	Human Resources FA 235 (blend of electronic & hard copies stored in Human Resources office)

Employee Personnel Records	5 years after separation or until closure of any unresolved personnel issues, whichever is greater	Human Resources FA 235 (blend of electronic & hard copies stored in Human Resources office)
All Payroll Records	7 years after termination	Business/Finance Office
I-9 Forms	3 years after date of hire or one yearafter separation date, whichever is later	Human Resources FA 235 (blend of electronic & hard copies stored in Human Resources office)

INSURANCE RECORDS

Document	Retention Period	Location
Vehicle Insurance Policy	3 yrs. expired	Business/Finance Office
Directors and Officers Insurance Policy	3 yrs. expired	Business/Finance Office
Workers' Compensation Insurance Policy As a public employer, UAFS does not have a WC Insurance Policy. UAFS is under the state plan. UAFS retains Workers' Compensation Insurance records for 3 years from date of injury or, if occupational disease or infection, 6 years from the date the incident occurred.		
General Liability Insurance Policy	3 yrs. expired	Business/Finance Office
Insurance Claims Applications	Permanent	Business/Finance Office
Insurance Disbursements/Denials	Permanent	Business/Finance Office

CONTRACTS

Document	Retention Period	Location
All Insurance Contracts	Permanent	Business/Finance Office
Construction Contracts	Permanent	Business/Finance Office
Legal	Permanent	
Loan/Mortgage Contracts	7 years	Business/Finance Office
Leases/Deeds	Permanent	Business/Finance Office
Vendor Contracts	7 years	Business/Finance Office
Warranties	Permanent	
Grant Agreement Forms – includes all grant documentation, whether programmatic/technical or financial in nature	Permanent	Business/Finance Office

MANAGEMENT PLANS AND PROCEDURES

Document	Retention Period	Location
Strategic/Operating Plans	Permanent	FA102
Staffing, Programs, Marketing, Finance, Fundraising, and Evaluation Plans	Permanent	FA207
Disaster Recovery Plan	Permanent	PO159
Budget Documents	Permanent	Electronic Database

BIOGRAPHICAL AND RELATIONSHIP MANAGEMENT RECORDS

Document	Retention Period	Location
Constituent Photos	Permanent	FA207 or Electronic Database
Correspondence Received from Constituents	Permanent	FA207 or Electronic Database
Correspondence to Constituents	Permanent	FA207 or Electronic Database
Death Notices/Obituaries	Permanent	Electronic Database
Scholarship Applications	- Up to 9 months	Electronic Database
Newspaper Articles	Permanent	Electronic Database
Prospect Research Documents	Permanent	FA207 or Electronic
Stewardship Reports	Permanent	FA207 or Electronic Database
Wills, Trusts, etc.	Permanent	FA207 and electronic
Estate Settlement Documentation/Forms (expendable)	Permanent	FA207 and electronic
Estate Settlement Documentation/Forms (perpetual)	Permanent	FA207 and electronic

GIFT PROCESSING RECORDS

Document	Retention Period	Location
Batch Reports – gifts, pledges, and related documentation	Permanent	FA204 or (Electronic Storage)
Charitable Gift Annuity and Charitable Remainder Trust Agreements (expendable)	Permanent	FA207 or (Electronic Storage)
Charitable Gift Annuity and Charitable Remainder Trust Agreements (perpetual)	Permanent	FA207 or (Electronic Storage)
Fund Agreements/Gift Agreements	Permanent	FA207 or (Electronic Storage)
Scholarship Guidelines	Permanent	FA207 or (Electronic Storage)
Endowment Statements	Permanent	FA207 or (Electronic Storage)

Revised and approved by The University of Arkansas Fort Smith Foundation, Inc. Board of Directors this 2nd day of November, 2017.

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Judy McReynolds, Chair Doug Babb, Secretary

UNIVERSITY *of* ARKANSAS – FORT SMITH
FOUNDATION

Refund
-POLICY-
of
University of Arkansas – Fort Smith Foundation, INC.

Gifts

Charitable gifts made to the University of Arkansas Fort Smith Foundation (the "UAFS Foundation") are generally not refundable. In the event of a verified mistake by the UAFS Foundation or a third party other than the donor, a refund may be made. The UAFS Foundation reserves the right to refuse and refund any gift in violation of its Gift Acceptance Policy. In the exceptional case that a refund is issued, it is the responsibility of the donor to correct any tax filings to reflect the refunded amount.

Events

Refunds for UAFS Foundation events will be given for cancellations received fourteen (14) days prior to the event. If the participant cannot attend the event but would like the event cost to become a charitable contribution, a request to the UAFS Foundation should be made in writing prior to the event.

Revised and approved by the Foundation Board of Directors
February 2, 2017

UNIVERSITY of ARKANSAS – FORT SMITH
FOUNDATION

Whistleblower
-POLICY-
of
University of Arkansas – Fort Smith Foundation, INC.

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I. Purpose

The Code of Ethics ("Code") of The University of Arkansas Fort Smith Foundation, Inc. (the "Foundation") requires directors, officers, volunteers, and staff to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. Employees and representatives of the Foundation must practice honesty and integrity in fulfilling their responsibilities and comply with all applicable laws and regulations. This policy covers reporting and investigating suspected misconduct, interference with reporting suspected misconduct, and prohibition of retaliation for reporting suspected misconduct.

II. Reporting Responsibility

This Whistleblower Policy is intended to encourage and enable employees and others to raise serious concerns internally so that the Foundation can address and correct inappropriate conduct and actions. It is the responsibility of all board members, officers, employees, and volunteers to report concerns about violations of the Foundation's Code or suspected violations of law or regulations that govern the Foundation's operations.

III. No Retaliation

It is contrary to the values of the Foundation for anyone to retaliate against any board member, officer, employee, or volunteer who in good faith reports an ethics violation, or a suspected violation of law, such as a complaint of discrimination, or suspected fraud, or suspected violation of any regulation governing the operations of the Foundation. An employee who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of employment.

IV. Reporting Procedure

The Foundation has an open door policy and suggests that employees share their questions, concerns, suggestions or complaints with their supervisor or the Executive Director of the Foundation. If you are not comfortable speaking with your supervisor or you are not satisfied with your supervisor's response, you are encouraged to speak with one of two internal points of contact—Director of Human Resources or the Vice Chancellor for Finance and Administration; or the external point of contact—Chair of the Audit Committee. Supervisors and managers are required to report complaints or concerns about suspected ethical and legal violations in writing to one of the aforementioned individuals, who has the responsibility to investigate all reported complaints.

V. Internal and External Points of Contact

The Director of Human Resources, the Vice Chancellor for Finance and Administration, and the Chair of the Audit Committee are responsible for ensuring that all complaints about unethical or illegal conduct are investigated and resolved. These individuals will advise the Executive Director and/or the Audit Committee of all complaints and their resolution and will report at least annually to the Audit Committee on compliance activity relating to accounting or alleged financial improprieties.

VI. Accounting and Auditing Matters

The Foundation's internal and external points of contact shall immediately notify the Audit Committee of any concerns or complaints regarding corporate accounting practices, internal controls, or auditing and work with the committee until the matter is resolved.

VII. Acting in Good Faith

Anyone filing a written complaint concerning a violation or suspected violation must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation. Any allegations that prove not to be substantiated and which prove to have been made maliciously or knowingly to be false will be viewed as a serious disciplinary offense.

VIII. Confidentiality

Violations or suspected violations may be submitted on a confidential basis by the complainant. Reports of violations or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

IX. Handling of Reported Violations

The Foundation's internal and external points of contact will notify the person who submitted a complaint and acknowledge receipt of the reported violation or suspected violation. All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation.

X. Internal Points of Contact

Director of Human Resources, (479) 788-7839
Vice Chancellor for Finance and Administration, 479.788.7035
Audit Committee Chair, Mr. Clifford Lyon, 479.474.7752

Reviewed and approved by The University of Arkansas Fort Smith Foundation, Inc. Board of Directors this 2nd day of November, 2017.

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Judy McReynolds, Chair Doug Babb, Secretary