

CHAPTER XVI  
LIONS CLUBS INTERNATIONAL FOUNDATION

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**A. STRUCTURE**

**1. Purpose And Mission Statement**

- a. Lions Clubs International Foundation, herein referred to as LCIF, is a public, nonprofit, tax-exempt corporation as described in Section 501 (c) (3) of the U.S. Internal Revenue Code of 1954. LCIF was incorporated in the United States on June 13, 1968, as the charitable arm of Lions Clubs International. LCIF is a vehicle by which contributions, large and small, are received and disbursed to aid Lions worldwide in humanitarian service endeavors.
- b. The foundation's mission is to support the efforts of Lions clubs around the world in serving their local communities and the world community through humanitarian service, major disaster relief and vocational assistance programs.

**2. Members Of The Foundation**

- a. Non-Voting Members – Non-voting members (Contributing Members) are individuals who contribute US\$20 in unrestricted funds during the period of one fiscal year.
- b. Voting Members – The members of the board of trustees of this corporation, as from time to time constituted, shall, by virtue of such positions, be voting members of this corporation, and shall comprise the entire voting membership thereof. Any person who ceases to hold such a position shall cease, thereon, to be a voting member of this corporation.

The district governors of Lions Clubs International, during their term of office, shall be non-voting trustees of the Lions Clubs International Foundation.

**3. Board Of Trustees**

The board of trustees shall be composed of all voting members of the board of directors of Lions Clubs International and shall include two (2) additional Lions selected from the past officers of said association, one (1) of whom shall be a past president of said association. These two additional members shall be appointed by the president of LCI, with the consent of the LCIF board of trustees and shall be voting members of said board of trustees.

Each appointed trustee shall serve until the close of the next annual meeting of members of the foundation following the appointment or until that successor shall have been appointed and qualified, whichever shall first occur. Past officers may be reappointed but cannot serve more than two (2) consecutive one-year terms.

#### 4. Officers

- a. **Executive Officers** – The executive officers of the foundation shall be a chairperson who shall be the immediate past international president of The International Association of Lions Clubs; and a vice chairperson, a secretary and a treasurer. Any two or more offices may be held by the same person, except the office of chairperson and secretary.
- b. **Administrative Officer** – The executive director of The International Association of Lions Clubs shall be the executive director and assistant secretary of LCIF.
- c. **Assistant Treasurer** – The LCIF Financial Analyst shall be the assistant treasurer of LCIF.

#### 5. Committees

- a. **Executive Committee.** The chairperson of the foundation, the first vice president and the second vice president of The International Association of Lions Clubs, and eight (8) additional Lions of which two (2) shall be serving in the second year of a term as director of the association, two (2) shall be serving in the first year of a term as director of the association, two (2) shall be appointed trustees of the foundation, said six (6) members to be appointed by the president of said association, and two (2) members of the LCIF steering committee of which one (1) shall be the chairperson of the steering committee and one (1) shall be the vice chairperson of the steering committee, shall be the executive committee of the board of trustees, by and with the approval of said board of trustees, which committee may act for and on behalf of the board of trustees only when the members of said board are not together in one location or assembled in session. No board action shall be altered, amended or rescinded by the executive committee. The presence of six (6) members of said committee shall constitute a quorum at any meeting thereof. The act of a majority of such members shall be the act of the committee. Said committee may transact business by telephone conference call or mail (including letters, electronic mail, facsimile transmission, cable or other electronic means) provided six (6) members participate therein, and the vote of a majority of the members participating shall be considered the act of the committee. The executive committee shall meet immediately before each regular or special meeting of the board of trustees, and also during such board meetings as may be necessary, to prepare recommendations for consideration and action by the board of trustees.
- b. **Steering Committee.** A steering committee comprised of 13 members shall provide guidance and advice to the executive committee. Said members shall

be comprised of one (1) representative from each constitutional area, one (1) representative from Africa, one (1) representative from each of the two countries having the highest number of members in The International Association of Lions Clubs as defined in the policies of the Board of Trustees, one (1) representative from each of the two countries having the highest donations to the foundation as defined in the policies of the Board of Trustees, and the immediate past chairperson of the foundation. No board action shall be altered, amended or rescinded by the steering committee.

- c. **Other Committees.** The chairperson shall appoint, with the approval of the board of trustees, such other committees, as may be necessary for the transaction of the business of the foundation.

## **6. LCIF District and Multiple District Coordinators**

- a. **Multiple District Coordinators** – Every three years, beginning with fiscal year 2009- 2010, each Constitutional Area representative serving on the LCIF Development Advisory Committee nominates a Lion to serve in the role of LCIF Multiple District Coordinator in their respective area. Selection criteria should focus on choosing a Lion who has a demonstrated interest, understanding, commitment, and leadership at the Multiple District, District and Club level for LCIF. The International President and the LCIF Chairperson in office at the time will make the official appointments, which are subject to replacement if necessary.
- b. **District Coordinators** – Every four years, each Multiple District Coordinator, in consultation with the District Governor, as appropriate, will nominate a Lion to serve in the role of LCIF District Coordinator in their respective area. Selection criteria should focus on choosing a Lion who has a demonstrated interest, understanding, commitment, and leadership at the District and Club level for LCIF. The LCIF Chairperson in office at the time will make the official appointments, which are subject to replacement if necessary.

## **B. GRANT PROGRAMS**

### **1. Grant Making Purpose And Scope**

- a. The mandate and challenge to Lions Clubs International Foundation is to provide significant humanitarian benefits and achievements through judicious use of funds available. Any project for which a grant is authorized shall meet an important human or social need.
- b. All foundation grant programs and grant awards shall meet one or more of LCIF's major objectives – humanitarian service, major disaster relief, and

vocational assistance programs. The development of the foundation's grant making initiatives, including setting of criteria and funding parameters, shall be guided and approved by the LCIF trustees. All individual grant awards above \$10,000, except for all Designated Grants, as well as Major Catastrophe Grants of up to \$250,000, require approval of the LCIF trustees or designated subcommittee(s) or advisory committees as duly authorized.

## **2. Grant Monitoring And Evaluation**

Staff, with approval of the LCIF chairperson, shall conduct site visits to selected grant funded projects to ascertain progress and verify appropriate use of awarded grant monies. Trustee members may also be called upon to make monitoring visits with approval of the LCIF chairperson. As deemed necessary, larger sale project and program evaluations may be undertaken by the foundation using staff, consultants and trustee members as required. The annual budget for monitoring and evaluation activities shall be equivalent to a maximum of two (2) percent of grant awards from the prior fiscal year.

## **3. Humanitarian Grants (Non-Designated) Financial Spending Policy**

### **Definition**

A written guideline that authorizes the funding of humanitarian (non-designated) grant programs on a fiscal year basis.

### **Purpose**

To apply a disciplined and balanced approach to fund non-designated grant programs in order to maintain longevity, while making sure it is done in a manner consistent with program objectives.

### **Procedure**

The available budget for humanitarian (non-designated) grants will be calculated using the following procedure:

- Make available each year a total budget equal to 5% of the average value of assets over the last five years plus 80% of the average value of unrestricted donations over the last five years.
- From this budget, subtract the expected applicable administrative expenses.
- The remainder is available for unrestricted donations.

The spending policy will be reviewed on an annual basis at the September/October LCIF Executive Committee meeting, with final approval by the LCIF Board of Trustees. The review may include modifications to the policy, including the amount of funds available, to account for changes in market and economic conditions, and the needs of the programs.

LCIF staff will maintain records of grant approvals and the amount available. This will be reported at each LCIF Executive Committee meeting and at other intervals upon request.

#### **4. Grant Related Solicitations For Disaster Relief**

In accordance with Chapter XV, Paragraph A.2.f., of the Board Policy Manual the International Board of Directors does hereby authorize the international president to solicit funds or aid or anything of material or commercial value from any and all Lions clubs and/or Lions districts but only in connection with a specific disaster relief appeal that has been approved by the LCIF Chairperson.

### **C. LIONS QUEST PROGRAM**

#### **1. Overview**

Lions Quest is a school-based program of LCIF focused on providing life skills to students grades K through 12. This includes information that teaches skills needed for everyday living including learning to accept responsibility, communicating effectively, setting goals, making healthy decisions and resisting pressure to use drugs and alcohol. Schools which adopt Lions Quest incorporate the curriculum into the school day as a separate course. Lions Quest teachers must attend workshops hosted by the program to become adequately familiar with the curriculum and recommended methods of implementation.

#### **2. Administration**

LCIF, through the Lions Quest Department, will be responsible for the administration and management of Lions Quest programs. LCIF may contract a third party provider to offer fulfillment services for materials orders by customers for the Lions Quest program. Consultants also may be retained to provide marketing, technical support or program development services at the discretion of the LCIF Division Manager and the LCIF Chairperson.

#### **3. Revenues And Programmatic Expenses**

Through the Lions Quest program, LCIF will receive program revenue. This revenue shall be used to pay for the programmatic and administrative expenses for the Lions Quest program, which will be kept separate from other administrative expenses of the foundation.

#### **4. Budget**

The Lions Quest budget will be maintained separately from the LCIF general budget but will follow the same process of approval, forecasting, and review.

## **D. OPERATION**

### **1. Administration**

The administrative operations of the foundation are subject to compliance with the LCIF Articles of Incorporation, By-Laws and Policy Manual.

### **2. Solicitation And Fund Development**

- a. In accordance with Chapter XV, Paragraph A.2.f., of the Board Policy Manual, the International Board of Directors does hereby authorize Lions Clubs International Foundation to solicit, for its lawful corporate purposes, funds or aid or anything of material or commercial value from any and all Lions clubs, member or members, and/or Lions districts (single, sub and/or multiple).
- b. Although local Lions organizations are encouraged to solicit corporate and foundation sources for local service initiatives, it is necessary that they contact the LCIF Development Department before soliciting the corporate headquarters of a multinational corporation or foundation to ensure coordination of efforts and avoid any action that may negate potential major gifts for LCIF.
- c. LCIF development staff in conjunction with the LCIF trustees may actively solicit contributions from corporations, foundations, governmental bodies and the general public. The foundation, trustees and staff will exercise their authority in regard to the established policies, constitution and by-laws and procedures of the foundation as they relate to the protection of its name and emblem.

### **3. Major Fundraising Campaigns**

- a. With approval of the board of trustees, the foundation may conduct from time to time major fundraising campaigns soliciting gifts and pledges from Lions and other funding sources in support of major humanitarian initiatives of LCIF as defined under paragraph 'b' below. The gifts and donations resulting from said campaigns, including investment income derived from said funds, shall be restricted to the program and purpose for which they were raised.
- b. A major campaign is defined as any fundraising initiative with a goal of raising at least US\$10,000,000 in restricted funding. The foundation shall only conduct such campaigns in support of programs and initiatives that (1) are consistent with major service aims of LCIF, as defined in Article I of the

LCIF By-Laws, or (2) support the major international service commitment of Lions Clubs International.

- c. Approval of the LCIF board of trustees is required to authorize any major fund raising campaign. The primary body responsible for planning major campaigns is the LCIF Executive Committee or duly authorized subcommittee(s). Before planning commences, the LCIF Executive Committee shall consult with the LCI Long Range Planning Committee to ensure a proposed campaign does not conflict with the current long-range service initiatives of LCI. Considering that Lions members also have financial responsibilities to LCI, and given that a campaign may place extra demands on headquarter operations, the timing of any campaign shall take into account revenue constraints being faced by LCI that could negatively impact a campaign.
- d. The LCIF Board of Trustees shall -authorize the planning steps for a campaign that shall include the following activities in this order: 1) a feasibility study conducted by staff or hired consultant to assess Lions members' receptivity to a campaign, the potential fundraising goal, and external considerations such as global financial markets that may impact a campaign; 2) the development of a case statement (i.e., a document outlining the purpose for which funds will be raised and expected results); and 3) an operating plan and budget addressing all major issues required for a successful campaign including, but not limited to, required staffing, a time frame for campaign completion and for each major phase, the type and manner of fundraising strategies and campaign recognitions to be employed, and composition of any leadership committees formed to help carryout a campaign. The LCIF Executive Committee shall be responsible for overseeing the above planning documents and planning phases as authorized by the board of trustees.
- e. Since the foundation must also continue to fund its regular grant making activities during a campaign, provisions shall be made to ensure sufficient grant budget reserves are set aside to fund regular grant making activity during the active period of a campaign when unrestricted donations tend to significantly decline.
- f. Given the complexity of major campaigns, the use of outside consultants with special expertise in larger capital campaigns shall be encouraged, especially for the phases involving the feasibility study and development of case statement materials.

#### **4. Gift Acceptance Policies**

The LCIF Development Department with guidance from the LCIF trustees shall maintain and regularly review a comprehensive gift acceptance policy concerning contributions derived from wills, estates and bequests, annuities and trusts, stocks and real estate, as well as acceptance of in-kind donations.

#### **5. GUIDELINES FOR LCIF FORMING PARTNERSHIPS AND ALLIANCES WITH FOR PROFIT ORGANIZATIONS**

- a. Partnership shall be considered only with international or local organizations which agree to comply with the mission of Lions Clubs International Foundation.
- b. The affiliation shall identify specific, mutually agreed upon objectives to be achieved within a period not to exceed three years, unless extended by action of the LCIF Executive Committee. The term of affiliation shall expire at the end of the LCIF fiscal year.
- c. Proposals for partnerships, including a complete report on the objectives and potential benefits of affiliation, shall be referred to the LCIF Executive Committee. Proposed partnerships shall be delivered to LCIF Executive Committee members with other materials three weeks prior to the next meeting.
- d. The LCIF Executive Committee shall review said partnership at least annually at the October/November meeting.
- e. As part of the proposal for partnership, a budget shall be prepared and submitted detailing projected costs, need for administrative staff and any other funding requirements. If the affiliation is approved, a budget status report shall be submitted annually at the October/November meeting.
- f. Proposed partnerships shall include a descriptive plan for promoting public awareness of the relationship and its goals.
- g. Partner organizations shall not be permitted to solicit, contact or otherwise communicate with Lions clubs, districts or multiple districts without the express written permission of LCIF.
- h. Any partnership or alliance shall promote the LCIF global image and shall include appropriate recognition of LCIF (e.g., prominent use of the LCIF emblem).
- i. Monetary recovery of funds originally advanced by LCIF may be considered when appropriate.

## **E. Rules of Audit**

### **1. General Reimbursement Rules**

The following general rules and regulations apply to expense accounts submitted, in connection with official foundation travel, as appropriate, by Lions serving by appointment on the LCIF Executive Committee, LCIF Steering Committee, LCIF Multiple District and District Coordinators, select members of the SightFirst Advisory Committee and Lions Quest Advisory Committee, and other Lions leaders representing LCIF at the foundation's request. No expenses, except those specifically covered in these reimbursement rules may be charged in the name of the individual traveling on behalf of the foundation, nor billed to or paid by the foundation. Travelers are expected to spend foundation funds prudently and plan appropriately so costs do not exceed budgetary limitations. It is the traveler's responsibility to report his or her actual travel expenses in accordance with the regulations set forth in this policy.

- a. Expense claims should be submitted to the appropriate department in the foundation within 90 days of the individual's return from the assignment. If claims are received 90 days after the deadline, they can be paid by approval of an administrative officer only with documentation of valid reasons for the delay. Claims received 120 days or later after the deadline will not be considered.
  - (1) To obtain reimbursement for foundation related travel expenses the traveler must submit a signed official expense claim form.
  - (2) Original receipts are required for expenses of US\$25 or greater.
  - (3) Travel itinerary, proof of payment and any other documentation provided by the carrier are required for reimbursement.

### **2. Lions Serving by Appointment on the LCIF Executive Committee**

The travel, lodgings and associated expense claims of LCIF Executive Committee members not also serving on committees of Lions Clubs International Board of Directors, and their adult companion, who attend an LCIF Executive Committee meeting shall be audited, and due reimbursement made in accordance with the following rules:

#### **a. Transportation:**

- (1) Travel by Air: Lions serving by appointment on the LCIF Executive Committee and their adult companion are authorized to fly coach economy class. Business class is authorized when total flying time for round trip travel exceeds ten hours, not including time on the ground for connecting flights. If no business class is available, reimbursement shall be based on the coach-economy air fare rate.

Past international presidents and an accompanying adult companion shall be authorized to fly business class. An upgrade allowance is available for round trip travel exceeding ten hours, not including time on the ground for connecting flights. The allowance will be the difference from the actual ticket cost less the lowest available business class fare and subject to applicable tax reporting and treatment. First class airfare is authorized for Executive Officers, due to their extensive travel requirements.

Travel arrangements should be made through the association's preferred travel agent. In the event the association does not have a local travel agent, the traveler must obtain approval from the travel department prior to ticketing any fare in excess of US\$1,000. Airfare less than US\$1,000 should be booked at the lowest logical standard or discounted fare by the most direct route for the authorized class of service and period of travel.

- (2) Automobile Travel: The standard mileage reimbursement rate is US\$.30 per mile (US\$.19 per kilometer), which takes into account actual automobile expenses such as fuel, repairs, replacements, tires, depreciation, insurance, etc.

A traveler may drive when convenient and it is the least costly transportation available. The cost of meals, lodging, parking, mileage, tolls, taxis, ferries and transportation costs incurred while in transit may be reimbursed, if such costs do not exceed the cost of round trip airfare, based on the authorized class of service. Advance approval should be obtained to ensure reimbursement of expenditures.

- (3) Rental Cars: A vehicle may be rented when renting would be more advantageous to the foundation than other means of commercial transportation, such as using a taxi. Advance reservations should be made whenever possible and a compact or economy model requested. The traveler is responsible for obtaining the best available rate commensurate with the requirements of the trip. On rental vehicles used in the continental United States, the traveler should obtain the additional collision damage waiver. Such costs shall not exceed the cost of round trip airfare, based on the authorized class of service.
- (4) Other Forms of Travel: Rail or bus transportation may be used when convenient and it is the least costly transportation available. Advance approval should be obtained to ensure reimbursement of expenditures. Taxicabs will be reimbursed for actual expenses incurred, including tips.
  - b. Hotel: Appointees and their adult companion are eligible for a double room. Reasonable laundry, dry cleaning, pressing expenses, maid tips and internet usage may be reimbursed.
  - c. Meals: Reimbursement will be made for the actual amount spent by the appointee and adult companion, excluding alcoholic beverages. The cost of

each meal is to be listed on the appropriate provided association form. Itemized receipts shall be required for all meal expenses.

- d. Personal Expenses: Should the foundation pay for expenses that are personal to a Lion serving by appointment on the LCIF Executive Committee and their adult companion, the Lion shall be billed. Payment shall be deducted against any outstanding expense claims. In the event the traveler does not have outstanding claims, a bill for the personal expenses will be issued.
- e. General Reimbursement Eligibility Rules and Conditions:
  - (1) Expenses During Term of Appointment: The expenses of incoming Lions serving by appointment on the LCIF Executive Committee begin the day they are officially appointed (which means one-half of the round-trip transportation to the convention site where the appointment is made will be paid by the foundation). However, said LCIF Executive Committee members will be paid their entire transportation to and from the International Convention, along with their expenses according to the Rules of Audit, at such time as their terms of office expire.
  - (2) Meeting Dates: Expenses for Lions serving by appointment on the LCIF Executive Committee will be paid en route and for hotels and meals beginning the day before the meeting is to start and terminating on the day after the meeting ends, consistent with reasonable convenience and the right to remain for the delivery of the LCIF Chairperson's report to the International Board of Directors. It is further understood that the member's expenses at the LCIF Executive Committee meeting held in conjunction with the International Convention shall begin the day before the LCIF Executive Committee meeting is to start and terminate on the day after the annual membership meeting ends.
  - (3) Canceled Tickets and Hotel Receipts: Claims for transportation (except for auto) and hotel cannot be paid unless claims are accompanied by canceled transportation tickets and proof of payment (canceled check or credit card receipt) and hotel receipts.
  - (4) Reimbursement Currency: Reimbursement will be made in the currency of the domicile of the LCIF Executive Committee member, except when the best interest of the foundation requires otherwise.
  - (5) Insurance: LCIF Executive Committee members not also serving on board committees are to be furnished coverage of US\$100,000 each of accidental death and dismemberment insurance.
  - (6) Countries Where Transfer of Association Funds Is Restricted: Notwithstanding anything to the contrary herein set forth, if transfer of association funds is restricted in such Lions' country of residence for more than one year, the expenses of any such LCIF Executive Committee member shall be paid only from association funds that are restricted in his/her country.

3. LCIF Steering Committee, LCIF Multiple District and District Coordinators, SightFirst Advisory Committee members, Lions Quest Advisory Committee members, and other Lions leaders traveling on foundation business at LCIF's request: The same Rules of Audit that apply to Lions serving by appointment on the LCIF Executive Committee (Chapter XVI, Paragraph E of the Board Policy Manual) shall apply to the LCIF Steering Committee, LCIF Multiple District and District Coordinators, members of the SightFirst Advisory Committee and the Lions Quest Advisory Committee, and other Lions leaders traveling on foundation business at LCIF's request with the following exceptions:
  - a. Adult Companion Transportation: The transportation expenses of the adult companion of LCIF Steering Committee, LCIF Multiple District and District Coordinators, SightFirst Advisory Committee members, Lions Quest Advisory Committee members and other Lions leaders traveling on foundation business at LCIF's request are not eligible for reimbursement.
  - b. Insurance: Coverage, as outlined in 2.e.(5) above, does not apply to the LCIF Steering Committee, LCIF Multiple District and District Coordinators, SightFirst Advisory Committee members, Lions Quest Advisory Committee members and other Lions leaders traveling on foundation business at LCIF's request.
4. Authorization for Travel: The LCIF chairperson may authorize travel on behalf of LCIF, as well as his own travel, provided such travel is in accordance with these Rules of Audit and the expense is covered within the LCIF budget. The LCIF chairperson shall coordinate such travel so as not to conflict with the travel of the president of Lions Clubs International.

## **F. ENDOWMENT FUNDS**

1. The board of trustees of Lions Clubs International Foundation authorizes the acceptance of donations restricted for the purpose of endowment. These funds may be restricted only to activities normally conducted by Lions Clubs International or funded by Lions Clubs International Foundation. Such activities would include those listed in Chapter I, Activities of the Association of the Board Policy Manual for Lions Clubs International.
2. The principal of endowment gifts will be maintained in perpetuity or until such time or such occurrence as specified or agreed to in writing by both the donor and the foundation at the time of the gift.

3. Revenue from endowment gifts shall be used for the unrestricted purposes of the foundation unless otherwise specified at the time of the gift and fall within the purview of the normal and generally accepted activities of the foundation.
4. Restrictions and procedures for the acceptance of non-cash gifts for the purpose of funding the endowment portion of the foundation will be the same as for the acceptance of unrestricted non-cash gifts to the foundation.
5. For the purpose of investments, endowment funds may be commingled with other restricted funds but not with the general purpose funds of the foundation under the direction of the standard investment policies and practices of the foundation.
6. If an individual donor specifies at the time of the gift, any endowment gift of US\$100,000 or more in value may be restricted in a “named account.”
  - a. Income of “named accounts” within the foundation that were given for a specific program of the foundation and/or the association may be diverted for other programs by action of the board should the original program for which the gifts were restricted no longer be offered by the foundation or the association to the general public or its members;
  - b. All “named accounts” which restricted income to be used for a specific purpose other than the generally established board-approved endowed funds have a “life” of ten years after the last contribution to the named fund. After that time, the principal can be transferred to the foundation’s unrestricted fund and the income from the fund will be used for the general purposes of the charity which may or may not include the original program toward which the gift was restricted.
7. All “named” accounts will be permanently listed in the foundation’s annual report unless the accounts ceased to exist due to the passage of specific time or the occurrence of a specific event as restricted or agreed to by the donor at the time of the gift.
8. A gift of US\$10,000 or more may be made to an existing “named account” if it is restricted by donor at the time of the gift.
9. A combined gift valued at or greater than US\$100,000 made in unison directly from the individual donors and not from clubs, districts and multiple districts or solicited from the public at large can be restricted as a “named account.” Two or more individual donors may act in unison to be restricted a “named account” even though their individual gifts are less than US\$100,000.

10. Any endowment gift of less than US\$100,000, and any endowment gift regardless of size, which the donor does not wish to be restricted as a “named account” shall be placed in the appropriate general endowment fund corresponding with the identified activity of the donor.
11. Donors to the endowment program of the foundation are to be encouraged to restrict revenue from their gifts to the restricted activities as approved by the board.
12. A donor wishing to make an endowment gift with revenue restricted to a specific program or purpose is to be encouraged to include a clause allowing the board of trustees to redirect such revenue if the original program or purpose ceases to exist.
13. Endowment gifts, the revenue of which is to be restricted to the current ongoing grant programs of the foundation, that do not have a redirection clause, may be accepted by the executive director, the division manager and the manager of the development department, if, in their collective opinion, the size of the gift and the probable duration of the program warrant such action.
14. Endowment gifts, the revenue of which is restricted to a specific purpose other than the ongoing activities of the foundation and/or the association, may be accepted only with the approval of and an appropriate resolution from the board of trustees.
15. The primary but not sole source of the foundation endowment funds should be received through cash gifts of the estate, as planned gifts - assisted with professional advice, non-cash gifts, or from wills, trusts, legacies or insurance policies.
16. The purpose of these funds is to strengthen the financial reserves of the foundation, thereby assuring the orderly continuation of services which the foundation supports. Designation of current forms of operational support to the foundation as endowment gifts is to be strongly discouraged.
17. Subject to the conditions above, endowment gifts may be accepted in the name of the foundation by any two of the following: the executive director, the Lions Clubs International Foundation division manager or the Development Department manager,; or, either the executive director, the Lions Clubs International Foundation division manager, or the Development Department manager in conjunction with the member(s) of the board of trustees.

## **G. NON-DISCRIMINATION POLICY**

### **1. Non-Discrimination Policy – Employment**

Lions Clubs International Foundation is an equal opportunity employer. Discrimination on the basis of race, religion, color, age, sex, national origin, disability, handicap, marital status, ancestry, veteran status or other protected status is prohibited and will not be tolerated.

### **2. Non-Discrimination Policy – Program**

Lions Clubs International Foundation affirms a policy of non-discrimination in all programs without regard to race, religion, creed, color, gender, age, national origin, or disability. The board of trustees is committed to this policy of non-discrimination and urges each Lions club participating in foundation-funded projects to uphold the Lions Code of Ethics and purposes of Lions Clubs International by reflecting the common cause of friendship and services in all activities in a non-discriminatory manner.

## **H. BANKING**

### **1. JPMorgan Chase Bank, N.A.**

BE IT RESOLVED: That JPMorgan Chase Bank, N.A. as a designated depository of this corporation be and it (including correspondent banks) is hereby requested, authorized and directed to honor checks, drafts or other orders for the payment of money drawn in this corporation's name, including those payable to the individual order of any person or persons whose name or names appear thereon as signer or signers thereof, when bearing or purporting to bear the facsimile signature(s) of any two of the following:

Maryellen Skerik, LCI Treasurer  
Michael Carroll, Manager,  
LCI Information Technology Division  
Mark Koerlin, Manager,  
LCI Accounting Department  
Janet Bianchetta, Manager,  
LCI Financial Reporting & Compliance  
Lindsay Kennedy,  
LCIF Financial Analyst

And JPMorgan Chase Bank, N.A. shall be entitled to honor and to charge this corporation for such checks, drafts or other orders, regardless of by whom or by what means the actual or purported facsimile signature or signatures thereon may have been affixed thereto, if such facsimile signatures resemble the facsimile specimens duly certified to or filed with JPMorgan Chase Bank, N.A. by the Secretary or other officer of this corporation.

BE IT RESOLVED, That an account of this corporation be opened and/or maintained with JPMorgan Chase Bank, N.A., to be captioned or designated: Lions Clubs International Foundation. Checks, drafts and orders for the payment of money withdrawing funds from said account or accounts may be signed jointly by 2 (two) of the following: LCI Treasurer, LCI Information Technology Division Manager, LCI Accounting Manager, LCI Financial Reporting & Compliance Manager or LCIF Financial Analyst, said bank being hereby authorized and directed to honor and pay any checks, drafts, or orders so drawn, when so signed, whether such checks, drafts, or orders be payable to the order of any of said officer or person signing said checks, drafts, or orders or any said officers or persons in their individual capacities or not, and whether such checks drafts, or orders are deposited to the individual credit of any of officer or person signing said checks, drafts, or orders or to the individual credit of any of the other officers or persons aforesaid or not.

AND BE IT FURTHER RESOLVED, That any two of the above be, and are hereby, jointly authorized for and on behalf of this corporation:

To identify, approve and /or guarantee the endorsement of any payee or endorser of any checks, drafts, or orders for the payment of money drawn by this corporation on the bank aforesaid or any other bank;

To withdraw, receive, and receipt for and to withdraw upon trust receipt on the responsibility of and at the risk of this corporation, and to sign orders for the withdrawal held for its account. Such withdrawals may also be made by the bearer of any order, receipt or request so signed; and

To waive presentment, demand, protest and/or notice of dishonor or protest and to give instructions in regard to the handling or delivery of any negotiable or non-negotiable papers or documents involved in any of said transactions.

Anything herein to the contrary notwithstanding to discount with, and endorse to, the aforesaid bank installment consumer paper for and on behalf of this corporation.

AND BE IT FURTHER RESOLVED, That the Secretary of this corporation is authorized to certify, under the corporate seal of the corporation, to said bank, a copy of these resolutions and the names of the names of the persons authorized to act on behalf of the corporation in the premises, and said bank is hereby authorized to rely upon such certificates of the Secretary of the corporation until it is formally advised by a subsequent certificate and under the corporate seal of any changes therein.

BE IT RESOLVED, That JPMorgan Chase Bank N.A. (hereinafter referred to as the “Bank”) be and hereby is designated a depository in which the funds of this corporation may be deposited.

BE IT FURTHER RESOLVED, That any withdrawal orders against any account or any redemption of any certificate of deposit maintained by this corporation with the Personal Banking Department of the Bank must be signed or endorsed by two

Maryellen Skerik, LCI Treasurer  
Michael Carroll, Manager,  
LCI Information Technology Division  
Mark Koerlin, Manager,  
LCI Accounting Department  
Janet Bianchetta, Manager,  
LCI Financial Reporting & Compliance  
Lindsay Kennedy,  
LCIF Financial Analyst

And the Bank is authorized to honor any and all withdrawals or redemptions so signed without inquiry or regard to the authority of said Officer or the purpose for which such withdrawal or redemption is made.

## **2. Authorized check and proxy signatories**

BE IT RESOLVED by the Board of Trustees of Lions Clubs International Foundation that Maryellen Skerik, Michael Carroll, Mark Koerlin, Janet Bianchetta and Lindsay Kennedy shall be and hereby are authorized and empowered to draw, sign, accept, and/or endorse checks bills of exchange, drafts, promissory notes and other orders for the payment of money and that the signatures of any two of said designees shall be necessary to the issuance, acceptance, endorsement or otherwise of any such documents; and  
BE IT FURTHER RESOLVED, that Maryellen Skerik, LCI Treasurer, be and hereby is authorized and empowered to employ a check-writing machine in the issuance of any Foundation check of less than U.S. ten thousand dollars (U.S.\$10,000.00) and to affix authorized signatures thereto by means of facsimile signature plates.

BE IT FURTHER RESOLVED, That an account of this ration be opened and or maintained with JPMorgan Chase Bank, N.A. to be captioned or designated: Lions Clubs International Foundation and it (including correspondent banks) is hereby requested, authorized and directed to honor checks, drafts or other orders for the payment of money drawn in this corporation’s name, including those drawn to the individual order of any person or persons whose name or names appear thereon as signer or signers thereof, when bearing or purporting to bear the facsimile signature or signatures of any two of the following , for amounts of less than U.S. ten thousand (U.S.\$10,000.00) dollars:

Maryellen Skerik, LCI Treasurer  
Michael Carroll, Manager, LCI Information Technology Division  
Mark Koerlin, Manager, LCI Accounting Department  
Janet Bianchetta, Manager, LCI Financial Reporting & Compliance  
Lindsay Kennedy, LCIF Financial Analyst

and JPMorgan Chase Bank, N.A. (including its correspondent banks) shall be entitled to honor and to charge this corporation for all such checks, drafts or other orders, regardless of by whom or by what means the facsimile signature or signatures thereon may have been affixed thereto, if such facsimile specimens duly certified to or filed with JPMorgan Chase Bank, N.A. by the Secretary or other officer of this corporation.

### **3. Banking**

BE IT RESOLVED, That any two of the Authorized Persons named below shall be and hereby are authorized and empowered jointly, to designate in each country in which Lions Clubs are or may be established, the following on behalf of the Lions Clubs International Foundation:

- a. Open and close deposit accounts, sign account agreements, and sign contracts for deposit-related and other services.
- b. Sign and authorize checks, drafts, withdrawal slips, and any other orders for the payment of money, whether by paper, electronic, or any other means.

AUTHORIZED PERSONS. The names and genuine signatures, manual or facsimile, of the authorized persons are as follows:

Maryellen Skerik, LCI Treasurer  
Michael Carroll, Manager, LCI Information Technology Division  
Mark Koerlin, Manager, LCI Accounting Department  
Janet Bianchetta, Manager, LCI Financial Reporting & Compliance  
Lindsay Kennedy, LCIF Financial Analyst

## **I. INVESTMENTS**

### **1. Charitable Gift Annuities**

BE IT RESOLVED, That the Foundation's custodian for Charitable Gift Annuities (CGAs) be Northern Trust Company.

BE IT FURTHER RESOLVED, That the Executive Director, LCIF Division Manager, LCI Treasurer or LCIF Financial Analyst are hereby authorized to take

from time to time all such action under the agreement on behalf of the Foundation as may be necessary to carry out the intent and meaning, of the agreement.

BE IT FURTHER RESOLVED, That any two said officers of this Foundation may delegate in writing any part or all of the authority granted in the foregoing paragraph to such other officers or employees of the Foundation as they in their sole and absolute discretion may deem advisable from time to time.

BE IT FURTHER RESOLVED, The Northern Trust Company shall be entitled as against this Foundation to conclusively presume that the persons so certified as holding such offices continue to respectively hold the same until otherwise notified in writing by the Secretary of this Foundation.

BE IT FURTHER RESOLVED, this resolution shall be in full force and effect and binding upon this Foundation until it shall have been repealed and until written notice of such repeal shall have been delivered to The Northern Trust Company at its office in the City of Chicago, Illinois.

2. Investment decisions of the Foundation shall be based upon the board approved investment policy statement for the General Fund, SightFirst II Funds and the Planned Giving funds. The investment policy statement shall follow conventional formats used in the industry and shall comply with the Foundation's Bylaws (Article XI) at all times. This investment policy statement shall be maintained in Division Manager's office and reviewed by the Executive Committee annually and updated as needed.

Approvals required for making investment decisions, other than those stated in the investment policy statement, are as follows:

- a. The board of trustees shall approve changes to investment policy statements, including asset allocations.
- b. The board of trustees shall approve changes to investment advisors/consultants.
- c. Transfer of funds to/from operating cash management accounts from/to investments accounts shall be executed as needed with the approval of the LCIF Executive Director, LCIF Division Manager or LCI Treasurer.
- d. The board of trustees may appoint, authorize and direct, with the approval of the LCIF Chairperson, the LCIF Executive Director, the LCI Treasurer, the LCIF Division Manager, and the LCI Accounting Department Manager, as agents jointly to invest and reinvest funds of the corporation.

## **J. ACCOUNTING PROCEDURES**

### **1. Accounting System**

The financial records of Lions Clubs International Foundation are maintained in accordance with U.S. Generally Accepted Accounting Policies (GAAP) as well as local and federal rules and regulations. The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. All amounts are presented in United States Dollars.

### **2. Internal Audit Function**

Lions Clubs International and Lions Clubs International Foundation (LCI and LCIF) supports Internal Audit as an independent appraisal function to examine and evaluate the LCI and LCIF's activities as a service to management. The objective of internal audit is to assist the Audit Committee in the effective discharge of their responsibilities.

#### **Planning**

An independent internal auditor will conduct a risk assessment of both LCI and LCIF every three years. The results of this risk assessment will form the basis of a three-year internal audit plan. The Audit Committee must approve any changes to this internal audit plan. The Audit Committee will have final approval of the independent internal auditor engaged to perform the internal audits.

#### **Audit Scope**

Responsibilities include examining and evaluating the policies, procedures and systems, which are in place to ensure:

- Reliability and integrity of information;
- Compliance with policies, plans, procedures, laws, and regulations;
- Safeguarding of assets;
- Economical and efficient use of resources; and
- Accomplishment of established objectives and goals for operations of programs.

## **Coordination of Internal Audit Function**

Coordination of the internal audit function shall be the responsibility of the Treasurer with oversight by the Audit Committee. The Treasurer is responsible for ensuring that the resources are available to promote an efficient and effective audit.

### **Reporting**

A written audit report will be prepared and issued by the internal audit organization following the conclusion of each audit project and will be addressed and distributed to the Audit Committee and Executive Administrator. The report will also be distributed to the Treasurer, independent auditors and other management, as appropriate. The manager of the activity or department receiving the report will respond to any audit recommendations and the responses will be included in the finalized report. The final report should include: Significant findings during the audit work and suggest a course of action where appropriate.

## **K. FISCAL AGENTS**

Country	Name	Effective
India	Neville Mehta	06/29/06
<del>India</del>	<del>Phil Writer</del>	<del>06/29/06</del>