

MINUTES
 COUNCIL ANNUAL MEETING
 FEBRUARY 11, 2017
 PZAZZ! ENTERTAINMENT COMPLEX
 BURLINGTON, IOWA

Executive Board Members in Attendance

Rick Atwood	Jack Freiburg	Gina Lanning
Brent Babyak	Jack Gunsten	John McKillip
Donna Buss	Parker Hanks	Kevin Mineart
Robert Dickson	Cecil Haskins	Dennis Stewart
Terri Dowell	Joe Henning	Ron Teater
Will Duryea	Greg Humphrey	Marcel Wagner
Sarah Fernandez		

Chartered Organization Representatives in Attendance

Lloyd Hubler	Mike Krebill	Mike Pintar
Keith Klusmeyer	Gale Lofgren	

Members-at-Large in Attendance

O. Mike Hausch

Others in Attendance

Mark Crooks	David Lane	Rev. Deborah Stowers
Kevin Dowling	Bruce Moechnig	Julie Stratman
Bill Edwards	Doug Peters	Scot Sullivan
Todd Lamison	Misty Scott	Rosanna Voss

Council President Joe Henning called the meeting to order at 7:10 p.m. A quorum was declared present.

Action Items:

- ◆ MOTION (by Kevin Mineart, seconded by Greg Humphrey) TO ACCEPT THE FINANCIAL STATEMENTS AS PRESENTED. Motion carried.
- ◆ MOTION (by Bob Dickson, seconded by Kevin Mineart) TO ACCEPT THE NOMINATING COMMITTEE REPORT AS PRESENTED FOR THE FOLLOWING FOUR ACTIONS: (1) ELECTION OF COUNCIL MEMBERS-AT-LARGE, (2) ELECTION OF EXECUTIVE BOARD, (3) ELECTION OF OFFICERS, AND (4) ELECTION OF NATIONAL COUNCIL REPRESENTATIVE (report attached). Ballots were cast with the following results:
 - (1) Election of Council Members-at-Large 22 votes in favor and 1 opposed; (2) Election of Executive Board 22 votes in favor and 1 opposed; (3) Election of Officers 22 votes in favor and 1 opposed; (4) Election of National Council Representative 22 votes in favor and 1 opposed. Motion carried.

- ◆ MOTION (by Bob Dickson, seconded by Cecil Haskins) TO ACCEPT THE CONSENT AGENDA FOR THE FOLLOWING ITEMS WHICH ARE CURRENT PRACTICES OF THE MISSISSIPPI VALLEY COUNCIL AND OUR NATIONAL ORGANIZATION SUGGESTS WE PUT INTO RECORD AT EACH ANNUAL MEETING: CHECK SIGNERS; AUTHORIZED ACCOUNT REPRESENTATIVES FOR INVESTMENTS AND CDS; SAFE DEPOSIT BOX ACCESS; ANNUAL BUDGET RESOLUTION; AUTHORITY OF SCOUT EXECUTIVE; CONFLICT OF INTEREST POLICY FOR COUNCIL EMPLOYEES, CONFIDENTIAL ETHICS REPORTING POLICY FOR COUNCIL EMPLOYEES, CONFLICT OF INTEREST POLICY FOR EXECUTIVE BOARD MEMBERS; COUNCIL CREDIT CARD NUMBER SECURITY POLICY; CAPITALIZATION POLICY; PLANNED GIVING POLICY; GUIDELINES FOR VALUING AND RECOGNIZING ENDOWMENT GIFTS; SPENDING POLICY; INVESTMENT POLICY; COUNCIL FINANCE PLAN/EXECUTIVE BOARD STANDARD OPERATING GUIDELINES; PERMISSION TO SEEK FUNDING FROM UNITED WAYS, FOUNDATIONS, TRUSTS, AND OTHER GRANTORS; AND SPECIFIC ASSISTANCE TO INDIVIDUALS/SCOUTREACH RESOLUTION (resolutions attached). Ballots were cast with a vote of 22 in favor, and 1 opposed. Motion carried.
- ◆ MOTION (by John McKillip, seconded by Brent Babyak) TO APPROVE THE MINUTES OF THE FEBRUARY 6, 2016 ANNUAL MEETING AS WRITTEN. Motion carried.

Report Items:

- ◆ Treasurer's Report (John McKillip): John reported the 2016 financial statements included in our annual report are currently being audited by Gray, Hunter, Stenn, LLP in accordance with our Local Council Articles of Incorporation and in accordance with the generally accepted accounting procedures. Public support, which includes Friends of Scouting, project sales, special events, and United Way funding, totaled \$408,709. Camping, activities, product and Scout Shop sales, and investment revenue totaled \$813,734 for a grand total of \$1,222,443 of income. Operating expenses for 2016 totaled \$1,148,310. This represents program service expenses of \$984,217 and supporting services including management, fundraising and national service fees of \$164,093. The \$74,133 surplus at year-end allows the Council to be fiscally responsible and use about 75% of the surplus to place in the Capital Fund for deferred maintenance and other capital expenditures. Council assets include \$1,547,324 in the Capital Fund, which consists primarily of land, buildings, equipment, along with donor-restricted and board-designated funds. Additionally, we have \$3,181,398 in total assets within our Endowment Fund consisting primarily of permanently restricted long-term investments. In 2016, our Council provided \$8,797 in assistance to individuals which included registration for Scoutreach programs and camperships. Our Council Commissioner has reviewed the Assistance to Individuals spending to ensure it is being utilized properly. The 2017 Friends of Scouting campaign is well underway. We finished January with 25% of the campaign complete, which is ahead of this time last year. We look forward to a very successful campaign.
- ◆ James E. West Award (John McKillip): John explained the James E. West Award honors individuals giving at least \$1,000 to benefit the Council's endowment fund. This year, we had eight individuals earn this award who were honored at a social earlier in the evening. All James E. West Fellows were asked to stand and be recognized.
- ◆ Membership (Parker Hanks): In 2016, we expanded the Scouting program as a part of a National Pilot by introducing Lions for Kindergarten Scouts with 182 Lions recruited. The Mississippi Valley Council had a 4.9% membership growth. This was the second consecutive year of growth for our Council which included an increase in total Cub Scouts, not counting the new Lions.
- ◆ Nominating Committee Report (Bob Dickson): The Nominating Committee was appointed by Council President, Joe Henning, and confirmed by the Executive Board. The Nominating Committee recommends four slates for action: 2017 Council Members-at-Large, Executive Board, Officers, and National Representative. Bob called attention to the slates in the voting member packets and stated ballots were cast with the following results:

- ◆ Election of Council Members-at-Large 22 votes in favor and 1 opposed; (2) Election of Executive Board 22 votes in favor and 1 opposed; (3) Election of Officers 22 votes in favor and 1 opposed; (4) Election of National Council Representative 22 votes in favor and 1 opposed.
- ◆ Council Commissioner's Report (Cecil Haskins): Cecil introduced himself as the Council Commissioner. He reported those who earn the Gold Level of *Journey to Excellence* are considered to be in the top 10% of units, Districts, and Councils in the country. He then recognized the 2016 Gold Level Districts – Eagle Ridge District, River Valley District, and Shoquoquon District. All Gold Level unit representatives in attendance were asked to stand and be recognized. Cecil is grateful to have served as the Council Commissioner for the past two years. He stated this Council is filled with quality volunteers and professional staff. The Commissioner Service will be in good hands with Incoming Council Commissioner Dennis Stewart. Cecil thanked everyone for their support and hopes to see everyone down the Scouting Trail.
- ◆ General Manager of Philmont Scout Ranch Remarks (Kevin Dowling): Kevin reiterated that it takes strong support to have strong camps. The Mississippi Valley Council are winners, big winners. Scouting still actively engages youth in the outdoors. It is extremely important that everyone supports Scouting and high adventure. Volunteers make it happen, but remember to have a good balance between heart and head. We have to think of the next generation. Without Cub Scouts, there will be no Boy Scouts. As we plan for the future, camping facilities must be family friendly. Keep doing what you are doing for Scouting. As a small token of appreciation from the Mississippi Valley Council to the volunteers who support Saukenauk Scout Reservation and Camp Eastman, a challenge coin was distributed to each person. As a token of appreciation, a partial campership for one Scout to attend Philmont Scout Ranch will be given in Kevin Dowling's name.
- ◆ Camps (Jack Gunsten): Jack explained that despite Saukenauk Scout Reservation and Camp Eastman having been around for many years and serving thousands of Scouts, we still develop new and exciting programs each year. At Saukenauk, our Scouts can participate in the ATV program and in the new mechanics area which includes auto maintenance, welding, farm mechanics, and new for 2017, home repairs. At Camp Eastman, Scouts experienced STEM program which included 3D printing, Lego Robots and learning how to use cool tech toys such as a drone. Cub Scouts got to go on Dino Digs, Raptor Hunts and building Minecraft Castles. In 2017, Cub Camps will “blast off to a galaxy far, far away” while the Webelos prepare themselves for the inevitable Zombie Apocalypse.
- ◆ Product Sales (Kevin Peak): Kevin introduced himself as the Council Product Sales Chairman. Every fall, Scouts from across our Council gear up and get out selling popcorn. This year's sale had a special emphasis of supporting our troops through the Military Sale. Two special weekends were set aside for storefront sales where \$3,684 was raised to purchase popcorn for our troops. A total of \$14,230 was raised for Military Popcorn during the entire sale. Popcorn was also delivered to the Illinois Veterans Home in Quincy. Top selling Pack, Troop and Scout were recognized. Top selling unit this year sold over \$24,000 of popcorn – Pack 33 from Donnellson, Iowa. Top selling Troop sold over \$7,000 of popcorn – Troop 33 from Donnellson, Iowa. Top selling youth sold \$3,019 worth of popcorn – Zande Whitaker from Pack 145 in Kahoka, Missouri.
- ◆ Community Service (Parker Hanks): In 2016, 59 young men earned Scouting's top rank – Eagle Scout. This year, over 5,522 hours were logged from Eagle Scout projects. Projects were highlighted on our Council's Facebook page and in the local media. For the first time, our Council logged over 20,000 hours of community service. The unit in each district with the most service hours per Scout were recognized: Eagle Ridge District Troop 76 with 40.92 hours/Scout; River Valley District Troop 33 with 51.65 hours/Scout; and, Shoquoquon District Troop 54 with 82.14 hours/Scout.
- ◆ Spirit of Scouting Awards (Jack Gunsten): *The Spirit of Scouting* award is to be presented to a community group or organization that exemplifies the high ideals of Scouting and who goes above

and beyond in service to our Scouting community. The recipients of this award this year are perfect examples of an organization that provides countless hours of service and support for our communities. The first recipient was instrumental in establishing Saukenauk Scout Reservation. This group provided leadership to other service clubs in an effort to purchase land for the use of youth in Adams County. Today, they continue to support Scouting each year with funds to send Scouts to camp. The first recipient is Quincy Noon Kiwanis. The second recipient established Camp Burro in 1929, a camp for boys on the Mississippi River near Nauvoo. This organization bought and donated the land that would later be added to in 1930 by the Eastman Family. Today, they provide service and funds to the Burlington Community for a variety of projects and continue to support Scouting. The second recipient is the Burlington Rotary Club. The final recipient is a company that lives up to the ideals of Scouting through their service to the community and charitable giving. This company sponsored the Shoquoquon Merit Badge College in 2016 and has supported numerous volunteers in Scouting endeavors. The final recipient of the *Spirit of Scouting* award is the Winegard Company. All members of service clubs were asked to stand and be recognized.

- ◆ Provisional Camp (Parker Hanks): The concept was simple; provide a program that would allow Scouts to experience everything both of our amazing camps have to offer. Cecil Haskins took 25 Scouts on an experimental, but unforgettable summer camp experience in 2016. The provisional camp gave Scouts the chance to come back to camp for a reduced price and have a whole new experience. It also gave Scouts the chance to come to summer camp who would have otherwise missed out because they couldn't go with their Troop. These Scouts explored the backwoods of Saukenauk, went on a Mississippi River voyage, worked on merit badges such as scuba diving not offered to other Scouts, and experienced the best that the Mississippi Valley Council has to offer.
- ◆ Spurgeon Awards (Brianna Otten & Joe Henning): The William Spurgeon Award is a national award that is presented at the Council level and is the highest honor that can be presented to a volunteer for Exploring. The 2016 recipient is Karen Boston-Kemple, the Post Advisor to Post 1846 chartered to Midwest Old Threshers. Post 1846 reenacts historical time in a pioneering log village as a part of the Annual Reunion of Midwest Old Threshers. Post 1846 is the oldest Exploring program in the Mississippi Valley Council, originally chartered in the 1970s. The Mississippi Valley Council also presented its first Learning for Life Youth Leadership Award to Brianna Otten of Post 104 chartered to the Quincy Fire Department. Brianna currently serves as Post Chief for the Fire Explorers and was previously Post Quartermaster. She has attended the National Fire and EMS Conferences and placed nationally in Wild Fire Shelter Deployment.
- ◆ Consent Agenda (Joe Henning): Joe reported the Consent Agenda for the following action items which are current practices of the Mississippi Valley Council and our National Organization suggests we put into record at each Annual Meeting: Check Signers; Authorized Account Representatives for Investments and CDs; Safe Deposit Box Access; Annual Budget Resolution; Authority of Scout Executive; Conflict of Interest Policy for Council Employees; Confidential Ethics Reporting Policy for Council Employees; Conflict of Interest Policy for Board Members; Council Credit Card Number Security Policy; Capitalization Policy; Planned Giving Policy; Guidelines for Valuing and Recognizing Endowment Gifts; Spending Policy; Investment Policy; Council Finance Plan/Executive Board Standard Operating Guidelines; Permission to Seek Funding from United Ways, Foundations, Trusts, and other Grantors; and, Specific Assistance to Individuals/Scoutreach Resolution. Ballots were cast with a vote of 22 in favor and 1 opposed.
- ◆ Outgoing President's Remarks (Joe Henning): It has been a pleasure serving as President the last two years. One of Joe's fondest memories was attending Philmont Scout Ranch with Todd, Cecil and Wilson (Joe's son). Joe has had a chance to meet people who make the Council "tick". He thanked the professionals, Cecil, Todd, and the Board Members. Lastly, he thanked his children, Nicole, Natalie and Wilson for supporting him.

- ◆ Incoming President's Remarks (Kevin Mineart): Kevin's journey actually started with the Envision 2020 process. He thanked everyone involved. He also thanked David Lane who was instrumental in writing the plan. Kevin thanked Joe as well as past presidents John McKillip, Bob Dickson, and Charlie Bach. Kevin is looking forward to continuing their work. Kevin called Cecil Haskins and Joe Henning back on stage to present each of them with a token of the Council's appreciation for their hard work. They each received a Henry Rifle.
- ◆ Silver Beaver Presentation (Bill Edwards): The Silver Beaver Court of Honor was officially opened at 7:55 p.m. for the purpose of presenting the Silver Beaver to three worthy recipients of the Mississippi Valley Council. Recipients are Cecil Haskins, Larry Dirth, and Dick Lox.
- ◆ Scout Executive Remarks (Todd Lamison): There is a lot we have accomplished of which to be proud. This was a year of hard work, a lot of it behind the scenes to make sure we have the processes and leadership that provide the life changing program called Scouting. About 17 years ago, Todd decided to join the ranks of Professional Scouting. He was a volunteer at Mt. Allamuchy Scout Reservation COPE course working with, at the time, the Director of Camping Kevin Dowling who suggested Professional Scouting to Todd. Todd thanked Kevin for being a good friend, mentor and the reason he is in this role today; and for agreeing to be our guest speaker. Todd also thanked Joe and Cecil for the amazing supportive and helpful Scouters they are. They are family and friends that he hopes to have his entire life. The last two years of success are all because of Joe and Cecil. It doesn't take long for the staff Todd works with to become family instead of just co-workers. Todd thanked his staff for their dedication to Scouting and their willingness to change to improve support of our program. Scouting is Family. We are all here to benefit our youth, to strengthen our communities. Our Council makes a lot of decisions that are necessary from fundraising to protection our youth through completed applications and youth protection training to enforcing policies that make Scouting fair. Behind the scenes, we do a lot more because Scouting is Family and we care about every Scout. In 2016, we had a tragedy that affected two of our Scouting families. Todd was proud to see just how staff, Council and District leadership, and our units stepped up to help those families. This is what we do and who we are. There is no better way to explain why Scouting matters. Todd invited Lisa and Scott Ray to relate just how much Scouting has meant to their family this last year.

Lisa Ray explained on July 28, 2016, their lives changed forever. Her 13-year-old grandson, Jonathan Guyton, passed away in a tragic car accident affecting their family as well as another Scouting family. Jonathan was buried in his Scout uniform. He had just earned his Eagle Rank three weeks prior with Troop 61 and had just been tapped out for the Order of the Arrow the week before (his last week at camp). Council staff went above and beyond arranging for Jonathan's Eagle to be processed by National. Family members were able to pin the award on Jonathan's uniform at the funeral. Scouting brings families together. Scouting is family.

The meeting was declared adjourned at 8:10 p.m.

Respectfully submitted,

Todd Lamison
Scout Executive

Attest: _____
Kevin Mineart, Council President

MISSISSIPPI VALLEY COUNCIL, BSA 2017 NOMINATING COMMITTEE REPORT

COUNCIL MEMBERS AT LARGE –

Rick Atwood	Sarah Fernandez	Keith Klusmeyer	Jim Sholl
Brent Babyak	John J Freiburg II	Gina Lanning	Jeff Spear
Charlie Bach	Dennis Gorman	Jon Manley	Rev. Mark Spring
Donna Buss	Jack Gunsten	Karen Mayville	Dennis Stewart
Pat Coen	Parker Hanks	John McKillip	Rev. Deborah Stowers
Mark Crooks	Cecil Haskins	Kevin Mineart	Julie Stratman
Tom Dickerson	O. Mike Hausch	Ryan Nagrocki	Ron Teater
Robert Dickson	Joe Henning	Bill Paxton	Jeff Terry
Terri Dowell	Ted Hea	Doug Peters	Marcel Wagner
Will Duryea	Greg Humphrey	Joshua Schier	Curt Wavering
Kent Embree	Patrick Jackson	Misty Scott	Kent Williams
Greg Feldberg	Keith Kaufmann	Jack Sharkey	

EXECUTIVE BOARD –

Rick Atwood	Sarah Fernandez	Keith Klusmeyer	Misty Scott
Brent Babyak	John J Freiburg II	Gina Lanning	Jeff Spear
Donna Buss	Dennis Gorman	Jon Manley	Dennis Stewart
Pat Coen	#Jack Gunsten	Karen Mayville	Rev. Deborah Stowers
Mark Crooks	#Parker Hanks	John McKillip	Julie Stratman
Robert Dickson	Cecil Haskins	Kevin Mineart	Ron Teater
Terri Dowell	Ted Hea	Ryan Nagrocki	Jeff Terry
*Will Duryea	Joe Henning	Bill Paxton	Marcel Wagner
Kent Embree	Greg Humphrey	Doug Peters	Curt Wavering
Greg Feldberg	Keith Kaufmann	*Joshua Schier	Kent Williams

#Youth Representative

*District Chair

Officers

OFFICERS –

President – Kevin Mineart

Vice Presidents – Brent Babyak, Donna Buss, Bob Dickson, Greg Feldberg, Joe Henning, Ron Teater, Marcel Wagner

Council Commissioner – Dennis Stewart

Treasurer – John McKillip

Scout Executive/Secretary – Todd Lamison

NATIONAL COUNCIL REPRESENTATIVE –

Joe Henning

ADVISORY COUNCIL (submitted for action at next Executive Board Meeting)–

Charlie Bach	O. Mike Hausch	Jack Sharkey
Dan Brink	Patrick Jackson	Jim Sholl
Fred Cory	Jeffrey Kennedy	Rev. Mark Spring
Tom Dickerson	James Miller	S. Scot Sullivan
William Edwards	Bruce Moechnig	Charles Walsh
William Ell	James Olson	Daniel Wiedemeier

Submitted by Nominating Committee Chairman Bob Dickson

Nominating Committee – Bob Dickson, Jon Manley, Marcel Wagner, Jack Freiburg, Joe Henning

Consent Agenda

1. Check Signers
2. Authorized Account Representatives for Investments and CDs
3. Safe Deposit Box Access
4. Annual Budget Resolution
5. Authority of Scout Executive
6. Conflict of Interest
 - a. Conflict of Interest Policy for Council Employees
 - b. Confidential Ethics Reporting Policy for Council Employees
 - c. Conflict of Interest Policy for Executive Board Members
7. Council Credit Card Number Security Policy
8. Capitalization Policy
9. Planned Giving Policy
10. Guidelines for Valuing and Recognizing Endowment Gifts
11. Spending Policy
12. Investment Policy
13. Council Finance Plan/Executive Board Standard Operating Guidelines
14. Permission to Seek Funding from United Ways, Foundations, Trusts, and other Grantors
15. Specific Assistance to Individuals/Scoutreach Resolution

Resolution to Establish Authorized Check Signers

February 11, 2017

Two authorized signatures are required on all checks written by the Mississippi Valley Council, Boy Scouts of America. All checks shall have attached, for review, documentation and approvals as required by council policy. This resolution includes all current and future bank accounts including but not limited to Mercantile Bank, F&M Bank & Trust, Town & Country Bank, 1st Bankers Trust and Marine Bank.

Based upon the recommendation of the Council Executive Committee, the following positions are submitted to the Board for approval as the only authorized check signers:

Kevin Mineart – President
Brent Babyak – 1st Vice President
John McKillip – Treasurer
Joseph Henning – Past President
Misty Scott – Executive Board Member/Assistant Treasurer
Todd Lamison – Scout Executive

All checks shall have attached, for review, documentation and approvals as required by council policy. In addition to the signers, any Bank where the Council has an account may provide information regarding the account(s) to Ryan Barnes, Staff Accountant.

Todd Lamison, Council Scout Executive

All checks shall have attached, for review, documentation and approvals as required by council policy.

**Resolution to Establish Authorized Account Representatives
for Investments and CD's**

February 11, 2017

One authorized account representative is required on any required transactions for investment accounts. Changes to accounts must be approved through the board or appointed board committee. All distributions from these accounts must be directly deposited to a Mississippi Valley Council bank account. This resolution includes all current and future investments including but not limited to BSAAM, US Bank and 1st Bankers Trust CD.

Based upon the recommendation of the Council Executive Committee, the following positions are submitted to the Board for approval as the only authorized representatives:

Kevin Mineart – President
John McKillip – Treasurer
Todd Lamison – Scout Executive

In addition to the account representatives, any institution where the Council has an investment may provide information regarding the investments(s) to Ryan Barnes, Staff Accountant and our Vice President of Endowment, Greg Feldberg.

**Resolution to Establish Authorized
Access to Council Safe Deposit Box**

February 11, 2017

One authorized representatives of the Mississippi Valley Council are required to gain access to the council safe deposit box located at 33rd Street facility of Mercantile Bank & Trust Company in Quincy, IL.

The following positions are submitted to the Executive Board for approval as having authorized access to the council safe deposit box:

Kevin Mineart – President
John McKillip – Treasurer
Misty Scott – Executive Board Member/Assistant Treasurer
Todd Lamison – Scout Executive

Annual Budget Resolution

February 11, 2017

The management of the Mississippi Valley Council is hereby authorized to expend funds in accordance with the budget for the year 2017, herein approved. It shall be the role of the Executive Committee to exercise any actions necessary to further the mission of the Council and support the day to day operations. This shall include, but not limited to:

Approve any expenditures, not included in the approved operating budget for the current fiscal year, of an amount up to \$10,000 in aggregate between Executive Board meetings. Any amount

of expenses appropriately utilizing designated or restrictive funds may be approved by the Executive Committee.

If, when considering an expenditure of funds of \$10,000 or more and at least 25% of the Executive Committee members in attendance feel that the expenditure should not be approved as presented, the action will be tabled to the Executive Board.

Authority of Scout Executive

February 11, 2017

RESOLVED, That subject to any limitation imposed by law, the bylaws, or any resolution of the executive board or executive committee, the Scout Executive be and hereby is authorized and empowered, for and on behalf of the corporation and in its name, to deliver, enter into, acknowledge, cancel, and revoke any and all agreements, conveyances, mortgages, powers of attorney, or other instruments which are incident to the carrying on, in the normal course, of the regular affairs of the corporation; and be it further

RESOLVED, That subject to any limitation imposed by law, the bylaws, or any resolution of the executive board or executive committee, the Scout Executive, and the treasurer, be and hereby are and each of them hereby is authorized and empowered, for and on behalf of the corporation and in its name, to deliver, execute, acknowledge, and pay any fees connected with any and all applications, reports, returns or other instruments required by any governmental authority, which are incident to the carrying on, in the normal course, of the regular affairs of the corporation.

Conflict of Interest Policy for Council Employees

RESOLVED, that the following conflict-of-interest policy is the policy of this corporation and is applied to all council employees.

It is imperative that employees of the council conduct themselves with a degree of honesty and integrity which is beyond reproach or even suspicion.

While it is not possible to anticipate every situation and prescribe a precise rule for each, it is possible to set forth certain basic, general principles to be observed by employees at all times. The essence of this policy is that employees shall always deal with others doing, or seeking to do, business with the council in a manner that excludes all consideration of personal advantage. Accordingly, every employee of the council is subject to the following policy:

Interest in Any Other Business Organizations

Employees of the council or members of their immediate families shall not have any interest, direct or indirect, in any other business which in any degree conflicts with the employee's primary obligations to the council. In this regard, employees or members of their immediate families should not possess a significant financial interest in, or receive remuneration from, any business that does, or seeks to do, business with the council. In addition, employees should not conduct business on behalf of the council

with members of their immediate family, or an association which could be construed as significant in terms of potential conflict of interest. Employees or members of their immediate family should not do business with other employees of the council on the basis of their mutual association with the council.

Transactions Between the Council and “Disqualified Persons”

No employee who is a “disqualified person” with respect to the council under Section 4958 of the Internal Revenue Code may enter into any transaction with the council, if such transaction would constitute an “excess benefits transaction” under the aforementioned Internal Revenue Code section.

Gifts, Favors, Entertainment, and Payments to Employees

Employees shall not seek or accept any gifts, payments, fees, services, valuable privileges, vacations or pleasure trips, loans (other than conventional loans from lending institutions), or other favors from any person or business organization that does, or seeks to do, business with the council. No employee shall accept anything of value in exchange for referral of parties to any person or business organization that does, or seeks to do, business with the council. In the application of this policy:

- a. Employees may accept common courtesies of nominal value usually associated with accepted business practices for themselves and members of their families.
- b. An especially strict standard is expected with respect to gifts, services, or consideration of any kind from suppliers. Entertainment at the expense of suppliers beyond that contemplated by (a) above should not be accepted under any circumstances.
- c. It is never permissible to accept a gift in cash or cash equivalent of any amount.
- d. This policy does not preclude the acceptance of gifts that will benefit the council rather than an individual employee.
- e. This policy does not preclude the acceptance of courtesies extended to employees of the council in their official capacities, such as gratis hotel rooms for business use (but not personal use) in connection with meetings.
- f. This policy will be communicated to persons and organizations doing, or seeking to do, business with the council.

Gifts, Favors, Entertainment, and Payments by the Council

Gifts, favors, and entertainment may be given to others at the expense of the council only if they meet all of the following criteria:

- a. They are consistent with accepted business practices.
- b. They are of sufficiently limited value, and in a form that will not be construed as improper.
- c. They are not in contravention of applicable laws and generally accepted ethical standards.
- d. Public disclosure of the facts will not embarrass the BSA and/or the council.

Obligation to Disclose

Any employee who believes that his or her personal actions or interests, or the actions of others, may violate this policy must discuss the matter with the Scout executive or council president.

Sanctions

Any employee whose actions or interests violate this policy may be subject to immediate termination, if such is determined to be in the best interest of the council.

It is the responsibility of every employee of the council to be aware of and to observe these standards. Accordingly, an Employee Statement will be delivered to each employee annually. Each employee is asked to sign and return the Employee Statement to the council designee. Employee Statements will be held in complete confidence except when necessary to conduct an investigation.

Confidential Ethics Reporting Policy for Council Employees

RESOLVED, that the following Confidential Ethics Report policy is the policy of this corporation and is applied to all council employees.

The council is committed to upholding the highest ethical standards and to protecting the integrity of the Boy Scouts of America. The council code of conduct and its conflict-of-interest policy outline the minimum standards and guidelines of conduct by which it and its employees must abide. These guiding principles are consistent with the Scout Oath and the Scout Law and are set forth as benchmarks to ensure that employee and employer alike are treated with honesty and integrity and in accordance with the council bylaws, rules and regulations, policies, and procedures and with any applicable laws and regulations.

The council takes breaches of any law, rule, regulation, or policy; the code of conduct; and/or the conflict-of-interest policy very seriously and will investigate all reported suspected violations. Inquiries will be investigated promptly and thoroughly, and action will be taken where warranted. The council prohibits employees from hindering the investigation. Complaints will be treated with as much confidentiality as possible, consistent with the need to conduct an adequate investigation. The council forbids retaliation against employees who report, in good faith, perceived violations of any law, rule, regulation, or policy; the code of conduct; or the conflict-of-interest policy.

Employees are encouraged but not required to speak with their manager or Scout executive to try to resolve issues before filing a report with the council president.

Submitted by Executive Committee January 17, 2017

CONFLICT-OF-INTEREST POLICY FOR EXECUTIVE BOARD MEMBERS

RESOLVED, that it is the basic policy of the corporation that all executive board members or members of any committee thereof, or officers or employees of the corporation, have a duty to be free from the influence of any conflicting interest when they act on behalf of the corporation, represent it in negotiations, or advise others in the corporation with respect to dealing with third parties. They are expected to deal with suppliers, customers, contractors, and others having dealings with the corporation on the sole basis of what is in the best interest of the corporation without favor or preference to third parties based on personal considerations. To this end, the following rules shall be observed:

1. No member of the executive board or member of any committee thereof, or officer or employee of the corporation, shall accept from any person, directly or indirectly, whether by themselves or

through their spouse or a member of their family or through any partner or business or professional associate, any gift, favor, service, employment or offer of employment, or any other thing of value which they know or has reason to believe is made or offered to them with the intent to influence them in the performance of their duties as a member of the executive board or member of any committee thereof, or officer or employee of the corporation.

2. No member of the executive board or member of any committee thereof, or officer or employee of the corporation, who is a partner, officer, or employee of a partnership, firm, or corporation, or who owns or controls more than 10 percent of the stock of such corporation, shall represent, appear for, or negotiate on behalf of the corporation in connection with the acquisition or sale by the corporation of any interest in real or tangible personal property to such partnership, firm, or corporation.
3. No member of the executive board or member of any committee thereof shall participate by discussion, voting, or by any other action taken by the executive board, or any committee thereof, in the enactment of or defeat of a motion which relates to any transaction with any party referred to in paragraph 2 above. In case any such matter is discussed at any meeting where any executive board or committee member who has such an interest is present, they shall promptly disclose their interest in the matter to be voted on to the chairman of the meeting. They shall not vote on the matter and, at the discretion of the disinterested members present, may be required to leave the meeting during the discussion and the voting on the matter.
4. Contracts, transactions, or arrangements of the Corporation in which a board member or officer has a direct or indirect financial, competing, or other material interest shall not be prohibited, but they must be disclosed and they shall be subject to scrutiny. Any such proposed contract, transaction, or arrangement is to be reviewed to determine that it is in the best interest of the Corporation.
5. Each board member and each officer of the corporation shall promptly disclose any material interest that he or she has or reasonably expects to have in any proposed or existing arrangement with the corporation prior to the start of any negotiations with respect to such matter. An interest required to be disclosed under this policy shall be disclosed in writing to the Chairperson of the board. Such disclosure shall include all material facts and supply any reasons why the arrangement might be or not be in the best interest of the corporation. The chairperson of the board shall refer the issue to the full board, the executive committee, or other board committee having decision-making authority over the substantive matter in question.
6. The names of the board members and officers who disclosed or otherwise were found to have a material interest in a proposed or existing arrangement of the corporation, the nature of the interest, and the extent of the board member's or officer's participation in the relevant board or committee meeting on matters related to the material interest. The minutes also shall include a record of any determination as to whether the arrangement was in the best interest of and fair and reasonable to the corporation, notwithstanding the interest, and the specific reasons supporting the determination, including any alternatives to the proposed or existing arrangement, the names of the persons who were present for discussions and votes relating to the proposed or existing arrangement, and a record of any votes taken in connection therewith.

7. Each board member and officer has a duty to place the interest of the corporation foremost in any dealing with the corporation and has a continuing responsibility to comply with the requirements of this policy. At least once each year, each board member and officer, and new board members and officers prior to their initial election, shall acknowledge his or her familiarity with this policy and shall disclose in writing to the chairperson of the board any existing material interest or co-investment interest subject to this policy by completing a conflict-of-interest disclosure statement. The conflict-of-interest disclosure statements shall be reviewed by the chairperson of the board. Any issues not previously disclosed shall be referred to him or her to the board or appropriate committee. The conflict-of-interest disclosure statements shall be retained in the confidential files of the corporation.

Council Credit Card Number Security Policy

February 11, 2017

Many times a Council will receive a document on which a volunteer or donor will put a credit card number, such as a Friends of Scouting pledge card or field receipt, for the Council to process.

RESOLVED, to protect our volunteers and donors, the following procedure will be in place effective immediately when a credit card number is received without the volunteer or donor being present:

After the document is received at the customer service desk, the person working the counter will immediately process that transaction by hand, entering the credit card number into the point-of-sale system. Once the transaction is complete, this person will take a black felt tip marker to conceal, or mark out, all the numbers, except for the last four (4) digits. If the number is needed for additional monthly, quarterly or semi-annual transactions, the numbers will be concealed or marked out after the completion of the final transaction. The document will then be routed to the proper department for entering as needed.

Capitalization Policy

February 11, 2017

It shall be the policy of the Mississippi Valley Council that physical items purchased, donated, or otherwise acquired shall be considered fixed assets and depreciated if:

- An individual item has a useful life of 2 years or more and the fair market value is \$1,000 or more; or
- The quantity of similar items with a useful life of 2 years or more where the total fair market value is over \$1,000.

The executive board, or executive committee, subject to executive board ratification, may amend this policy.

PLANNED GIVING POLICY GUIDELINES

The purposes for establishing these Planned Giving Policy guidelines are twofold. First, the guidelines provide the perimeter within which the staff and volunteers shall function in discussing deferred gift programs with interested prospects. Second, the guidelines identify procedures and limitations on gifts to the Mississippi Valley Council in determining acceptable programs for their trusteeship.

These Planned Giving Policy guidelines were developed by a special committee of technically oriented professional individuals skilled in the fields of law, accounting, investment, banking, and insurance. These guidelines reflect both state law and federal law. The guidelines are adopted as official policy by the Council's Executive Board.

GUIDELINE 1 – PRIORITY OF THE DONOR'S INTEREST

The interest of the donor shall have priority over the interest of the Council. No program, trust agreement, contract or commitment may be urged upon any donor or prospective donor to benefit the Council at the expense of the donor's intent.

GUIDELINE 2 – USE OF LEGAL COUNSEL

- A. The Mississippi Valley Council shall seek legal counsel in all matters pertaining to its planned giving program and shall execute no planned giving agreement without the advice of legal counsel, unless an unmodified pre-approved standard agreement is used.
- B. All Agreements in which the Mississippi Valley Council is the trustee shall follow the format of the specimen agreements approved by legal counsel for the Council.
- C. All prospective donors shall be advised, both orally and in writing, to seek their own legal counsel in matters relating to their deferred gifts, tax and estate planning.

GUIDELINE 3 – AUTHORIZATION FOR NEGOTIATION

- A. Interested representatives of the Council are encouraged to discuss planned giving with prospective donors. However, only persons authorized by the Executive Board may formalize planned giving plans with prospective donors. Such plans must follow these guidelines and the format of specimen agreements approved by legal counsel for the Council unless otherwise approved by the Board.
- B. All agreements which do not meet the requirements of the guidelines must receive prior approval by legal counsel for the Council and a majority of the Council's Planned Gift Policy Committee consisting of the following Mississippi Valley Council officers: President, Vice President of Finance, Chairman of the Endowment Committee, and the Scout Executive. The Planned Gift Policy Committee may take action, including action by phone conference, on behalf of the Board to approve an agreement not meeting these guidelines only when said committee determines it is not practicable to delay a decision on approval until the next Council Executive Board meeting. The Planned Gift Policy Committee shall report all approved agreements to the Council Executive Board's first meeting following such approval.

GUIDELINE 4 – AVOIDANCE OF PRESSURE TECHNIQUES

- A. Representatives of the Mississippi Valley Council shall not use any high pressure sales techniques when working with prospective donors.
- B. All personnel employed to administer or promote deferred gifts shall be paid a salary or retained on a per diem or annual basis, and shall not receive any commission or other compensation constituting or giving the appearance of constituting an interest in any planned gift agreement.

GUIDELINE 5 – CONFIDENTIAL INFORMATION

All information concerning donors and prospective donors, including names, names of beneficiaries, amount of gift, size of estate, etc. shall be kept strictly confidential by the Mississippi Valley Council and its authorized personnel unless permission is granted by the donor to release such information.

GUIDELINE 6 – GOVERNING CHARITABLE REMAINDER UNITRUSTS

- A. If the Mississippi Valley Council is to serve as trustee without compensation, no Charitable Remainder Unitrust shall be entered into with a donor for a sum less than \$50,000. Donors with gifts under \$50,000 should be encouraged to participate in the Boy Scouts of America Pooled Income Fund, or the National Gift Annuity Program.
- B. The fixed percentage to be paid by the Unitrust to the donor or to donor's designee shall be no less than 4% per annum.
- C. If the Mississippi Valley Council is to serve as trustee without compensation, the terms of the agreement must meet criteria approved by the Council Executive Board.
- D. Unless otherwise agreed to, Mississippi Valley Council may, by action of the Council Investment Committee, retain the following banks: Mercantile Trust & Savings Bank and US Bank, or some other appropriate bank or commercial trust manager to perform its responsibilities as trustee.

GUIDELINE 7 – GOVERNING CHARITABLE REMAINDER ANNUITY TRUSTS

- A. If the Mississippi Valley Council is to serve as trustee without compensation, no Charitable Remainder Annuity Trust shall be entered into with a donor for a sum less than \$50,000. Donors with gifts under \$50,000 should be encouraged to participate in the Boy Scouts of America Pooled Income Fund, or the National Gift Annuity Program.
- B. The fixed dollar amount to be paid by the Charitable Remainder Annuity Trust or the donor's designee shall be no less than 5% of the net fair market value of the assets transferred.
- C. Unless otherwise agreed, the Mississippi Valley Council may, by action of the Council Investment Committee, retain the following banks: Mercantile Trust & Savings Bank, US Bank, or other appropriate bank or commercial trust manager to perform its responsibilities as trustee.

GUIDELINE 8 – GOVERNING POOLED LIFE INCOME AGREEMENTS

- A. No Pooled Life Income Agreement shall be entered into with a donor for a sum less than \$5,000 – additional gifts of a minimum \$1,000 annually are permitted.
- B. The Pooled Life Income Agreement shall not cover more than two lives, and the beneficiaries shall each be 40 years of age or more.
- C. The Mississippi Valley Council will not accept any gifts from the BSA Heritage Pooled Income Fund without first completing the necessary resolutions and declarations as required by the Fund.

GUIDELINE 9 – GOVERNING CHARITABLE INCOME (LEAD) TRUSTS, REVOCABLE TRUSTS, DEPOSIT AGREEMENTS, LIFE INSURANCE GIFTS, AND LIFE ESTATE GIFTS

- A. The Mississippi Valley Council shall not serve as trustee for a Charitable Income (Lead) Trust or a Revocable Trust, but will refer this type of agreement to an independent banking or trust institution for management.
- B. If an individual opens an account in trust for the Mississippi Valley Council, the individual may retain the right to close the account at any time.
- C. The naming of the Mississippi Valley Council as a beneficiary of an insurance program shall imply no obligation on the part of the Council.

GUIDELINE 10 – GIFTS OF REAL ESTATE

- A. The Mississippi Valley Council will accept gifts of real property that, at the time of the gift, do not have any outstanding mortgage, tax lien, or other encumbrances upon the land. If, however, such encumbrances are present at the time the gift is offered and represent a nominal amount when compared with the total value of the property, such property may be accepted with the approval of the Executive Board. How the encumbrance will be removed, and by whom, shall be agreed upon by both the Executive Board and the donor in writing prior to the acceptance of such property.
- B. No gift of real property shall be accepted until a preliminary environmental evaluation and disclosure statement have been completed for the property in question. In the event that this preliminary statement discloses any information indicating the presence of toxic materials, hazardous waste, or oil seepage on the property, a complete environmental report must be completed before the gift is accepted.
- C. Arrangements to cover post-transfer expenses should be agreed upon in writing by the donor and the Council prior to the gift. Such expenses include taxes and assessments, insurance, and maintenance costs of the land or any buildings on the land. Any tangible personal property associated with real property gifts should be segregated into separate gift proposals.

GUIDELINE 11 – INVESTMENT OF FUNDS AND INTERVAL OF PAYMENTS

Unless otherwise donor-specified, the management of funds, securities, or property received under trust agreements in which the Mississippi Valley Council is the trustee, shall be administered by the

Council's Investment Committee in separate accounts for each contract and managed to meet the objectives of each individual trust.

GUIDELINE 12 – FINAL DISPOSITION OF PLANNED GIFT FUNDS

Upon the death of the surviving beneficiary of the planned gift agreement, the agreement shall terminate and the assets and any accruals derived there from shall be paid to the Mississippi Valley Council for its general purposes or, if restricted by the donor, for specific use as stated in the applicable agreement. It shall be the firm policy of the Mississippi Valley Council to direct all gifts received as a result of planned giving, and designated for general purposes to the Council's endowment fund for allocation of the earnings as determined by the Executive Board. It shall be the policy of the Mississippi Valley Council to direct all gifts received as a result of planned giving, and that are donor-restricted, to current restricted funds, land, building and equipment funds, endowment funds, custodian funds, and/or loan and annuity funds, consistent with the donor's restriction.

GUIDELINES FOR VALUING AND RECOGNIZING ENDOWMENT GIFTS

The purpose of the following guidelines is to provide a uniform and unambiguous standard and to ensure appropriate and equitable recognition of donors.

These guidelines are intended only to help establish a recognition value for gifts made under the donor recognition program of Mississippi Valley Council. These are not intended as a substitute for current accounting guidelines or to establish book values of property gifts. These guidelines deal with gift counting not accounting.

OUTRIGHT GIFTS

Cash	Full value on date received.
Stocks	<ol style="list-style-type: none">1. Publicly traded – fair market value (as determined by averaging the high and low prices for the stock on the date received).2. Closely held – fair market value (as determined either by appraisal provided by donor, or the per-share cash purchase price from the most recent transaction).
Real Property	Fair market value (as determined by appraisal), and reduced by any outstanding mortgages, liens, tax obligations, fractional interests, etc.
Lead Trusts	The income amount to be received by the Council during the first year of the trust, multiplied by the number of years in the trust term, if the Council's status as an income beneficiary cannot be changed once the trust has begun.

DEFERRED GIFTS

Charitable Remainder Trusts

(Unitrusts/Annuity Trusts): Full value, based on the type of property given, as calculated for outright gifts, if the Council's status as remainder beneficiary cannot be changed once the trust has begun.

Pooled Income Fund Gifts

Full value, based on the type of property given, as calculated for outright gifts.

Gift Annuities

Full Value, based on the type of property given, as calculated for outright gifts.

Retained Life Interest in Home or Farm

Full value, as calculated for an outright gift of real estate, less projected costs, insurance, and expenses that Council is obligated to cover under the terms of the life interest.

TESTAMENTARY GIFTS

Life Insurance

Face value, if: 1) the donor has provided documentation or otherwise reliable information as to the amount of the policy, and 2) the Council's status as a beneficiary cannot be changed.

Bequests and Codicils

Face value, if the donor has provided documentation or otherwise reliable information as to the amount of the bequest.

Testamentary Charitable Remainder Trusts

Face value, if 1) the donor has provided documentation or otherwise reliable information as to the amount to be given to the trust, and 2) the Council's status as a remainder beneficiary cannot be changed once the trust has begun.

Testamentary Charitable Lead Trusts

The income amount to be received by the Council during the first year of the trust multiplied by the number of years in the trust term, if 1) the donor has provided documentation or otherwise reliable information as to the amount to be given to the trust, and 2) the Council's status as an income beneficiary cannot be changed once the trust has begun.

SPENDING POLICY

INTRODUCTION

The Mississippi Valley Council, Boy Scouts of America, operates certain Endowment Funds in order to preserve and/or enhance the programs and operations of the Council and Scouting in portions of Northeast Missouri, Southeast Iowa, and Western Illinois. To that end, the Council has adopted an Investment Policy Statement, which details the management and operation of the portfolio(s) of the Endowment Funds of the Council.

SPENDING POLICY

The Council utilizes the distribution of a portion of the investment income of the Endowment Fund(s) for the purposes of the operation of the Council's programs. This distribution is listed as the Spending percentage of the formula detailing the Total Return as expected from the investment of the portfolio(s).

This percentage is established as this time not to exceed five percent (5%).

The Board reserves the right to establish this percentage at its discretion and to determine the date(s) at which the distribution(s) of the income is to be made to the Council's Fund(s).

This Spending Policy, upon adoption by the Board, is to be incorporated into the Investment Policy Statement.

INVESTMENT POLICY

PURPOSE

The primary purpose of this Investment Policy Statement (Policy) is to guide the Council Board of Trustees, Investment Committee, money managers, and consultants in effectively managing, monitoring, and evaluating the investing of The Trust's Investment Portfolio. This document uses "Trust" as a synonym for "Investment Portfolio". It is recognized that the Investment Portfolio managed by the Committee contains both restricted and non-restricted funds.

This Policy has been created and designed to:

- Set forth a structure for managing Trust assets. This includes target asset allocation, and allowable ranges that, together, are expected to produce sufficient diversification and returns over the long-term.
- Establish formal criteria to monitor, evaluate, and compare the performance results achieved by individual managers and the entire portfolio on a regular basis.
- Protect the endowment from market-driven departures from sound long-term policy.
- Educate new Trustees, staff, and Committee members, as well as consultants and investment managers, in order to maintain the consistency necessary to produce good long-term results.

Objectives

The overall financial goal of the Trust is to maintain and grow its real (i.e. inflation-adjusted) market value while providing the Council's operating budget a relatively predictable and growing stream of revenue as established during the annual budget procedure. Therefore, the financial objective is to earn a total return (net of all fees and expenses) equal to or exceeding 4% plus the inflation rate – as measured by the Consumer Price Index.

Time Horizon

The investment guidelines are based upon an investment horizon of greater than twenty years.

Investment Vehicles

The Investment Committee has decided to utilize the most cost efficient vehicles for the investment of their assets that also provide access to the highest quality investment managers, including separate accounts, commingled funds, mutual funds and partnerships. The investment manager(s) may invest in the following asset classes according to their investment style:

1. Equities – including U.S. and foreign equities. Managers will be monitored against an index comparable to their investment style. The purpose of the equity segment of the investment portfolio is to provide principal appreciation that exceeds the rate of inflation.
2. Fixed Income – including domestic and foreign holdings of government, agency, and corporate issuers. Mortgage back securities are also included in this list. The purpose of the fixed income segment of the portfolio is to provide a hedge against deflation, to contribute a stable component of return and to minimize the overall volatility of the portfolio. Managers will be measured against an index comparable to their investment style.

A long-term target asset allocation strategy will be implemented by the Investment Committee to achieve the returns consistent with the objectives of the policy while minimizing risk (volatility and variability of return). The portfolio shall be rebalanced annually in order to maintain the target ranges of the asset allocation goals of the fund. The asset classes and targets are as follows:

Equities – 60%

- 40% to 60% Large Cap
- 20% to 30% Small or Medium Cap
- 10% to 15% International Equities

Fixed Income – 40%

Fixed income securities will be a blend of short term, long term, and intermediate term securities adjusted as determined by current economic conditions.

The Investment Committee will select investment vehicles only after a thorough review of the investment management firm, the manager's professional experience, past performance and verification of performance representation. In choosing investment vehicles, special attention will be paid to the 501(c)3 tax-exempt status of the Trust.

Investment Restrictions

The investment of any one issuer shall not exceed 10% of a manager's portfolio (with the exception of U.S. Government Securities). In addition, no purchases of securities of the portfolio manager's organization or of any firm with controlling interest in said organization are to be made.

Investment Manager/Consultant

The Investment Committee shall retain Investment Manager(s) to assist the Trust in the investment management and performance of the Trust's assets. Monthly statements from the Investment Managers shall be provided to the Investment Committee detailing portfolio holdings, transactions and performance. In addition, the Managers shall provide a quarterly update on their current investment strategy and market outlook. Each Manager is required to meet with the Investment Committee at least once a year. Investment Managers will be notified in writing after each Council Annual Meeting (usually held in February) of any additions or deletions of member serving on the Investment Committee.

Additions, Modifications

This statement of Investment Policy, Objectives and Guidelines may be altered or amended at any time by the Investment Committee. Any modifications are subject to the final approval of the Council's Executive Board of Directors.

- Purpose:** To establish general guidelines for the expenditure and allocations of funds by the Executive Board of the Mississippi Valley Council. Current Bylaws and any changes in Bylaws always supersede this document. Executive Board Actions always supersede this document.
- Scope:** The document serves as a guide for fiscal controls, terms and process exercised by the Executive Board of the Mississippi Valley Council. It shall be a common practice of the Executive Committee to review, amend (if needed) and adopt these guidelines annually at the April Board meeting. The Executive Board maintains the autonomy to make changes to this document.
- 1. Executive Committee Role:**
- 1.1. It shall be the role of the Executive Committee to exercise any actions necessary to further the mission of the Council and support the day to day operations. This shall include, but not be limited to:
 - 1.1.1. Approve any expenditures, not included in the approved operating budget for the current fiscal year, of an amount up to \$10,000 in aggregate between Executive Board meetings. Any amount of expenses appropriately utilizing designated or restrictive funds may be approved by the Executive Committee.
 - 1.1.2. If, when considering an expenditure of funds of \$10,000 or more and at least 25% of the Executive Committee members in attendance feel that the expenditure should not be approved as presented, the action will be tabled to the Executive Board.
 - 1.2. As is indicated in the Council bylaws, "The Executive Committee of the Executive Board shall have and may exercise all necessary powers of the Executive Board in the management of the corporation during the intervals between the meetings of the Executive

Board, but in no event shall the Executive Committee act contrary to the action theretofore taken by the Executive Board.”

- 1.2.1. All actions taken by the Executive Committee will be included in the Minutes of the meeting and accepted at the Executive Board meeting.
- 1.2.2. In the event that the Executive Committee needs to act contrary to these guidelines, the action will be brought to the Executive Board for ratification.
- 1.2.3. In support of the aforementioned measure, all minutes from Executive Committee meetings and Executive Board will be made public on the Council website following their approval at the Executive Board Meeting. Any personnel related matters, or matters that are sensitive in nature shall be redacted from the public posted minutes. To ensure transparency, Executive Committee Minutes and Executive Board draft minutes will be sent to the Executive Board within two weeks of the meeting. To ensure accuracy, Executive Committee Minutes will be sent to the Executive Committee for review within five (5) business days. Executive Board Minutes will be reviewed by the Council President and Scout Executive Before they are distributed by email.

2. **Scout Executive Role:**
 - 2.1. The Scout Executive shall be empowered to authorize payments following the fiscal controls in place for any purchase that is budgeted.
 - 2.2. Implement the board approved spending policy regarding the Investment Income distributions from Fund 3.
 - 2.3. The Scout Executive is empowered to spend up to \$1,000 of temporarily restricted funds in accordance of their restriction.
3. **Expenditure of Funds:**
 - 3.1. Temporary restricted funds – According to GAAP (Generally Accepted Accounting Principles), these funds must be expended before any other options are considered in support of a specific project.
 - 3.2. Non-restricted funds:
 - 3.2.1 Board designated funds – These funds may be utilized if there are no temporary restricted funds available to support the project according to their designation. The Executive Board may change designations at any time.
 - 3.2.2. Non–designated funds – These funds are expended when temporary restricted funds or board designated funds are not utilized.
 - 3.3. The authorization of expenditures of any of these funds shall be consistent with the guidelines contained within this policy.
4. **Other Mississippi Valley Council Fiscal Practices**
 - 4.1. Memorials donated to the Council without specific purpose shall be transferred to Fund 3 for investment. They will remain non-restricted as per GAAP.
 - 4.2. Year End Operating Surplus:
 - 4.2.1. Surplus funds are defined as Fund 1 income over expenses at the conclusion of the fiscal year. These are determined after all year end and audit adjustments. Including transfers to Fund 2 or Fund 3, any board designations, or other actions.
 - 4.2.2. 75% of surplus funds, after adjustments shall be transferred to Fund 2 and added to the Board Designated Deferred Maintenance Fund.
 - 4.2.3. Remaining surplus funds stay in Fund 1 increasing Operating Net Assets.
 - 4.3. The Council’s Capitalization Policy as adopted at the annual meeting defines the minimum value for an asset or group of assets to be depreciable.

APPENDIX 1: GUIDE TO UNDERSTANDING FISCAL CONTROLS TERMS AND PROCESSES UTILIZED IN STANDARD OPERATING GUIDELINES

Executive Board versus Executive Committee

- There are many items that need Board approval or are to be brought for action at a Board Meeting. This wording normally means that either the Executive Board or Executive Committee can take action. There are few items that are explicitly required to be an Executive Board action, most of these clearly state this requirement as a meeting of the Executive Board.
- Our bylaws read *“The Executive Committee of the Executive Board shall have and may exercise all the necessary powers of the Executive Board in the management of the corporation during the intervals between the meetings of the Executive Board, but in no event shall the Executive Committee act contrary to the action theretofore taken by the Executive Board.”*
- The Executive Committee can take action on almost all expenditures. The Standard Operating Guideline defines expectations of actions that should be brought to the Executive Board.

Guide to consider what actions need to be used to expend funds.

- Which fund is the Expense and therefore what action is needed?
 - If the expenditure is Fund 1 and budgeted, Scout Executive is empowered to authorize the payment following the fiscal controls (purchase orders, check writing, etc.) in place.
 - If expenditure is Fund 1 and not budgeted, board action is needed.
 - Does it meet the capitalization policy or is an expense associated to capital assets? If it does it may be considered for Fund 2 expenditure. If expenditure is Fund 2, board action is needed.
- How will we pay for it?
 - Temp restricted – must be spent first. While most of our restrictions are Fund 2, they could be for Fund 1, 2, or 3 expenditures. See above for action needed.
 - Board designated – should be spent next. While most of our designations will be Fund 2, they could be for Fund 1, 2, or 3 expenditures. If the Board has already designated funds for an expenditure, the actions noted above should still be utilized unless a special process was created in the designation.
 - Non Restricted Funds – these funds would be used last. The use of these could be for Non budgeted expenditures which would need board approval or budgeted items which are already approved.

Definitions and Facts about Fund Accounting in the Mississippi Valley Council

Boy Scouts splits their funds into 3 categories:

- **Fund 1** or Operational Fund is the yearly expenditures and income which allow the council operate on a day to day basis.
 - A budget is created and approved by the Board. As this is a decision to spend in aggregate the yearly expenditure, it is commonly considered an action of extreme significance that benefits from Executive Board Action. In MISSISSIPPI VALLEY COUNCIL the Budget Committee brings a budget for review to the Executive Committee in November. The Executive Committee discusses, changes if needed and presents the budget to the Executive Board in December.
 - The budget committee involves volunteer committee chairs responsible for operations as defined by project codes to create an overall budget. The approved Budget is an accumulation of these project codes.
 - Non-budgeted expenditures must have board approval.
 - Fund 1 income comes from several different sources including Activities, Camping, Special Events, FOS, Popcorn, and several other sources.
- **Fund 2** or Capital Fund basically deals with property, building or equipment that can be considered an asset. It also includes items which are associated with these items. For example, the costs associated with raising funds for a building or staff expenses associated to building a ropes course could be included in Fund 2.
 - Some assets may be depreciable. Property, buildings or equipment in the capital fund which meet the minimum value set by the Board may be capitalized, meaning they are considered assets that lose value over time. The loss of value is shown through depreciation expenses in Fund 2.
 - This could be one item or a combination of like items. A commonly used example used by BSA in training to explain this is the purchase of one shotgun versus purchasing ten. If a council's capitalization policy states the minimum amount is

\$1,000 and the shotguns cost \$200 each, purchase of one shotgun would be a Fund 1 expense while the purchase of ten shotguns could be Fund 2 depreciable asset.

- Not all expenditures in Fund 2 need to be capitalized. If they are not capitalized, it means their value will not be of significance after the year purchased.
- Income for Fund 2 usually comes in as a donation designated to property or project. However, the board may decide to put other income into Fund 2 directly. A good example of this would be the forestry project.
- Some Council's create Fund 2 budgets; however, Mississippi Valley Council has decided to authorize all expenditures through Board actions.
- **Fund 3** or Endowment Fund is the assets we have set aside to invest.
 - Spending policy – this is the policy that moves a portion of Endowment Fund into the Operating Fund as investment income.
 - Spending policies are often written as a percentage of the total fund (i.e. 5%)
 - If the amount moved is equal to or less than the Endowment Investment profit (gains, interest, dividends) and within the spending policy guidelines, then it is considered investment income to fund 1.
 - Note that If the amount moved is more than the actual profit of the investment or in excess of the spending policy guidelines, the additional amount becomes a transfer rather than an income.
 - Mississippi Valley Council Spending policy is ratified yearly at the annual meeting.
 - Fund 3 normally gets income through donors specifically giving to the endowment. However, income can come from other sources and funds can be transferred to Fund 3.
 - We have two special events which specifically request donations for Endowment.
 - Donors that give to Endowment, expecting their gift to be used in perpetuity to generate investment income, are permanently restricted gifts.
 - BSA has several recognitions for permanently restricted gifts.

Year End Surplus

- Year End Surpluses refer to income over expenses in Fund 1 in any fiscal year.
- Surplus becomes increase in the net assets in Fund 1 at the end of each fiscal year. Note the Standard Operating Guidelines in Section 4 for Mississippi Valley Council's practice.
- A common misperception is that a Previous Year End Surplus can "be spent directly" without affecting current year expenditures. In reality this would create an expense in the current year. This expense must be a part of the approved budget or be approved by the board.

Transfers

- Transfers move assets between Funds. This transfer must be a result of a Board Action.
- Transfers are below the line.
 - This means they show as changes to net assets.
 - Since they are below the line, note that transfers do not adjust up or down the annual surplus/deficit.
 - They cannot be used to offset an expense so that it does not affect the current year.

Restricted funds – Year End List Included Below

- There are two types of restrictions – permanent and temporary.
- Restrictions can only be placed on by the donor, not by the board.
- Restricted money cannot be used for any other purpose unless a request is made to the donor and they specifically state a change.
- Restricted money must be used before non-restricted money.
- When temporally restricted funds are given, they sit in an asset account code. When the restriction is met they are moved into an income code. The statement of operations shows the expense and income when the restriction is met.
- Trusts - Funds were given to Scouting through Trusts before it became common practice for Scouting Councils to have their own endowment. BSA suggests that is in the best interest of the Council and donors to give directly to endowment which remove additional costs and legal issues.

Board Designated Funds

- Board Designated Funds allow the board to designate a portion of our assets for a specific purpose. These may be assets in any Fund. When an expenditure is made, the designation is removed and the expense is realized in the current year. Unlike Temporary Restricted Funds, there is no associated income created.
- Board designations take assets and define where they will be utilized in the future.
- If a current board wishes to take action contrary to a standing action, it simply requires a vote at a board meeting as per our Bylaws. This would include an exception to the policy, and change to the policy or the deletion of the policy.
 - Denote the section about Executive Committee versus Executive Board to determine where action may be taken.
 - Remember that our bylaws specifically state that "... *but in no event shall the Executive Committee act contrary to the action theretofore taken by the Executive Board.*" However simple and obvious changes may not need Executive Board approval.

APPENDIX 2: 12-31-16 END OF YEAR BOARD DESIGNATED FUNDS

The following are the current funds designated by the Board. Our Board has earmarked these funds to be used in a specific manner. The portion of the resolution describing their intended use is included for quick reference. The full resolution is listed below.

- **Board Designated Deferred Maintenance - \$258,603.85**
 - Designated for the replacement of depreciable assets.
 - The Executive Committee shall be the committee that will determine what replacements and the priority of the replacements for action by the Executive Board before any expenditures are made.
- **Forestry - Equipment & Chemicals to Maintain Forest Area. \$15,721.28**
 - Control and Removal of Black locust/honeysuckle by purchasing the following:
 - Tordon Chemicals (\$13.00 per quart)
 - Chainsaw sharpener
 - Chainsaw/blades/chains/gas/oil/etc.
 - Work gloves, etc.
- **Forestry - Buildings and Road Repair Fund - \$117,745.78**
 - Building and vehicle maintenance fund in order that funds are not dispersed from operating or other sources of revenue need to be found. For the following expenditures.
 - Ranger Truck
 - Purchase Council Car
 - Road repair/maintenance from forestry paths
 - New roofs on Maintenance Sheds, new furnace and cooling system in Quincy
 - Expansion of Scout Shop in Quincy

APPENDIX 3: 12-31-16 END OF YEAR TEMPORARY RESTRICTIONS

The following restrictions are still active in our Council. We have split the restrictions by like categories. As per GAAP we need to release temporary restrictions as projects are completed. We cannot hold off utilizing temporary restrictions. The value next to the name of the restriction is the starting 2016 amount.

General Projects – each of the following were given with specific purposes. They may be fund 1 or fund 2 expenditures depending on the nature of the donation's restriction and the manner in which the Council fulfills that restriction.

- Bill Richmond Memorial for Shooting Sports - \$1,337.00 (donated to further the Shooting Sports Program in our Council. An example given by the family was to create an action archery range or similar upgrade.)
- Carver Trust - \$19,396.74 (donor provided funds to establish and grow Scouting Units in Louisa County)
- Cullen Trust - \$1,070.67 (re-blacktop and expand parking lot for Burlington Service Center)
- Camperships - \$1,165.00 (Most of this amount is funds we've taken in to be awarded for the 2017 National Jamboree)
- Technology Grant - \$2,800.00 – (funds donated for the purchase of RC Cars, Go Pro Camera, & 3D Printer)
- STEM Education - \$686.16 – (donor provided funds for STEM education within the Council)
- Telecommunication Grant - \$1,630.00 – (remaining funds donated for purchase of phone system, teleconference equipment, and video conference materials)
- General Camp Capital Improvement - \$910.00 – (direct mailing on 2016 for camp capital improvement)
- Exploring in Brown & Hancock Counties - \$5,000.00 – (Community Foundation of Quincy provided funds to establish Exploring units in Brown and Hancock Counties)
- Wood Badge Scholarships - \$733.00 (funds raised through patch sale and donations to provide assistance to Wood Badge participants)
- Website Development - \$10,000.00 – (Funds to allow the Council to develop a new website)
- Procedure Related Restrictions – not included (as accounting practice there are a few funds that are restricted until a specific time. For example, 2017 FOS collected in 2016 are temporarily restricted until January 1 of 2017. These are not being included in this report as the release of the funds are only awaiting the appropriate time to be released).

Eastman Specific Project – \$13,756.73 - the following donations were given to repair, purchase or upgrade a specific project at the camp.

- Sailboat repair & replacement - \$358.63 (funds to repair or purchase sailboats)
- Defibrillator - \$1,348.10 (to purchase new, repair or buy pads for defibrillator)
- Traverse Wall - \$250.00 (to build a traverse wall on existing or new structure)
- Handicapped Restroom - \$700.00 (to build or refit a restroom to be handicapped accessible)
- NRA for Range - \$3,600 (develop range including shooting stations, backstops, safety area, etc.)
- Storm Warning System – \$5,000 (to purchase a storm warning system)
- Pool Lift - \$2,500 (these funds are no longer needed and the donor is being asked if we can repurpose their intended usage.)

Eastman Specific Building - \$8,809.87 - The following donations were given for specific repairs and renovations of specific buildings at Eastman. The intent of these givers were to improve the building with a Fund 2 project:

- Showers - \$5,439.88
- Garage/Utility Building - \$1,464.60
- Dining Hall - \$1,908.39

Eastman New Building Projects - \$12,230.46

- Chapel - \$12,230.46

Saukenauk General - \$143,024.62 – the following donations can be used for any Fund 2 expenditure at Saukenauk. They were given with the intent to improve Saukenauk Scout Reservation with no specific restriction. It is interpreted that improving the Reservation is a Fund 2 project or special purchase of program supplies (i.e. supplies to create a new experience at camp), and not meant to purchase day to day cleaning supplies or program supplies:

- Dozier Memorial - \$205.00
- 1997 Memorial - \$2,327.54
- Boeger Fund Saukenauk - \$2,530.53
- Capital Improvements - \$3,830.35 (Fund 2 Projects Only)
- Boeger Estate - \$133,453.42
- SSR Cap Improvement Fund - \$277.78 (Fund 2 Projects Only)
- Thunderchicken - \$400.00

Saukenauk Specific Project – \$731.27 - the following donations were given to repair, purchase or upgrade a specific project at the camp.

- SSR Electric - \$400.00 (upgrade the electrical systems at camp, for example panels)
- Saukenauk Ice Machine - \$101.35 (repair or purchase of the ice machine at Saukenauk)
- Fire Ring – \$229.92 (improve the Snow Fire Ring, seating or other aspect of the project)

Saukenauk Specific Building - \$5,909.17 - The following donations were given for specific repairs and renovations of specific buildings at Saukenauk. The intent of these givers were to improve the building with a Fund 2 project:

- Polar Bear Cabin - \$1,577.18
- Barrier Free Campsite - \$1,687.79
- Lodge Repairs – (any lodge at camp) - \$176.68
- Office - \$1,500
- Long Range Rifle Range - \$967.52

Saukenauk New Building Projects - \$17,040.48

- Philmont Cabins (Gorman Memorial Project, build year round cabins, pavilion, walkway and sounding area that will be used for summer camp staffing)

Permission to Seek Funding from United Ways, Foundations, Trusts, and other Grantors

The Mississippi Valley Council intends to seek financial support from several organizations during the fiscal year. Funding may be for the current year or for funds to be realized in future years. The Scout Executive is authorized to enter into agreements with grantors. This includes, but is not limited to, public grants, private grants and United Way funding.

The Mississippi Valley Council also intends to be a partner agency with the United Ways which support our Service Area. We approve the Scout Executive to enter into agreements with these United Ways for 2017 and 2018.

Specific Assistance Funds/Scoutreach

The goal of the executive board of the Mississippi Valley Council is to extend the Scouting and Learning for Life programs to all youth and families within our boundaries regardless of their ability to pay the costs of participation. One way our council dedicates itself to reaching that goal is by providing council operating funds for this purpose in its annual budget as part of the Specific Assistance to Individuals line item.

Specific assistance funding may be used for, but is not limited to:

- Payment of annual registration fees and/or Boys' Life subscriptions for youth and/or adults
- Summer camp scholarships
- Activity/training scholarships for youth and/or adults
- Uniform assistance for youth and/or adults
- Purchase of program materials

The Scout executive will be responsible to give specific approval any time these funds are expended. Furthermore, the council commissioner will provide program oversight and to review reports of all assistance expenditures. An executive summary of assistance funds expended will be provided to the council's active membership as a part of the annual business meeting.