

August 15, 2009

## **National Society of Professional Engineers-Colorado (NSPE-CO) and Professional Engineers of Colorado Education Foundation (PEC EF)**

President/Committee Chair

Dear Representative,

As National Society of Professional Engineers-Colorado (NSPE-CO)(formerly PEC) State/Chapter President or Committee Chair requires that you establish administrative access to your specific PEC Education Foundation (PEC EF) account. **USE QUICKBOOKS ONLINE TO ACCESS YOUR ACCOUNT REPORTS.** First, complete and return the included signature card form for all your designated responsible accounts, even if done previously. A successful committee program involves work with much personal satisfaction. The purpose of this letter is to help you become familiar with the function of the PEC EF with interaction with the NSPE-CO state, chapters and committees. The PEC EF brings many obvious benefits to your committee's education program.

In 1990, the PEC Education Foundation was incorporated as a Colorado Non-profit Corporation, and in 1991 it received its 501(c)(3) tax-exempt status. This status is important to funding our education programs because it allows supporters to deduct their contributions on their income taxes. **Contributions directly to NSPE-CO or the chapters CANNOT LEGALLY be deducted on income taxes.** Also, the 501(c)(3) status makes us eligible for funding from other foundations.

### **The Role of the PEC Education Foundation (PEC EF)**

The PEC Education Foundation is a separate legal entity from NSPE-CO, managed by a Board of Trustees, elected by the NSPE-CO membership. The Foundation keeps records of contributions to each chapter and state education program in separate bookkeeping accounts. (For investment purposes all of the monies are pooled for annual distribution to accounts.) Each chapter and state program has a balance in its account, funded through chapter or state program fundraising efforts.

In addition to the funds that are designated for specific programs, the Foundation has accumulated undesignated contributions that are available for funding chapter and state education programs. The decisions on how to distribute these funds are the responsibility of the PEC EF AND NSPE-CO Education Development Committee (EDC). New qualified accounts for educational programs are easily established.

### **NSPE-CO Education Development Committee (EDC)**

As part of NSPE-CO, this committee was formed to assist with program fund raising at both the chapter and state levels. The Committee consists of a representative from each chapter, a representative from each state program, and a chairman. The chairman brings the recommendations of the EDC to the PEC Education Foundation for authorized distribution of undesignated funds to chapter and state program accounts. Also, the Chairman by Foundation rules is elected to the position of Associate Trustee for the PEC EF.

The time commitment to be an active member of the EDC is not that great; however, the benefits to your educational program can be significant. Your program committee may designate any committee member as an EDC representative. The responsibilities of serving on the EDC include meeting approximately four times a year as a committee. The meeting can be attended by conference call. The PEC EF Trustees committed to participate in the EDC Meetings. The EDC Meetings will be held on regular basis immediately after the PEC EF Meetings. Interim decisions can be made via conference calls and e-mail. Hopefully, a couple of the chapter or state program representatives will provide some time for the Educational Development Committee that assists with the development of fundraising projects. This will ensure the continuation of our educational programs, such as MATHCOUNTS, BridgeBuilding, Scholarships and seminars.

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Fill out and return the included form to designate your committee representative to the EDC. Your participation is crucial to ensure that you have a voice in how the EDC funds are distributed. If your committee is not represented, it could forfeit potential educational program funding. Special meeting arrangements, such as conference call representation, can be made for representatives. You are strongly urged to appoint representation to this important committee.

### **Deposits to Accounts**

Whenever your state program has a fundraising event, or receives a donation for educational activities, these funds should be deposited in your Education Foundation account. Using the 501(c)(3) status of the PEC Education Foundation, is the **only way** that your contributors can legally claim an income tax deduction for making a charitable contribution to your event or state program.

Deposit checks should include a notation indicating which program account the donation should be placed. Deposits that are not accompanied with a note designating the appropriate account will be placed in the general EDC account. Current list of PEC EF accounts is available through QuickBooks Online.

### **Requests for Payment**

The Foundation will reimburse or make payment directly of a receipt or invoice from your account that is authorized and accompanied by an explanation of the educational purpose. Receipts from local stores may require more detail, especially if the receipt only shows the amounts without descriptions. Valid requests for reimbursement or payment are honored as long as the balance in the program account remains positive.

A copy of Request for Payment form is enclosed with this letter. It is important that an authorized individual sign the request. The form should be sent to the address indicated on the form along with the original receipts and/or invoices.

### **Signature Cards**

A procedure, that is very similar to the function of signature cards used at banks, has been established to insure valid request for payment. The completed signature card advises the Foundation Treasurer who is authorized to request payments from an education program's account. Please have each person who is operating an education program for your committee, fill in the information, sign the form, and mail it to the PEC EF Treasurer. More than one authorized signatory is recommended. As steward of your program account(s), it is important to treat the program account much like your own bank account. If trouble exists for cash flow or staying in the black, let your Chapter or State Officers know your committee needs assistance in securing additional funding or establishing program modification. Email address is needed to establish access to QuickBooks-Online for account report information.

### **Action Items**

1. Signature Cards (Required for each account).
2. NSPE-CO's Education Development Committee (EDC) representative form.

Please mail the completed forms to the PEC Education Foundation Treasurer, c/o Balu Bhayani, 6905 Blackhawk Place, Colorado Springs, CO 80919, as soon as possible.

If you have any questions about the PEC Education Foundation, the Educational Development Committee, or the deposit and reimbursement process, please contact any officer of the companies described in the Website. We wish you and your state educational program another successful year.

Respectfully,

NSPE-CO President and PEC EF President