



## **Inactive Team Endowment Identification Policy**

### Purpose

To define the process for identifying inactive Team Endowment accounts and transferring the funds to an active Endowment account when applicable.

### Definitions

*Inactive Team Endowment Account* – a MidwayUSA Foundation Endowment account associated with a team or organization that has either ceased to exist or displays no intent or effort toward using the account for financial sustainability.

*Transferring the Funds* – the process in which the Endowment (fund) balance is transferred from the inactivated Endowment account to active Team or Organizational Endowment accounts.

*Active Endowment Account* – a MidwayUSA Foundation Endowment account associated with a well-organized team or organization with a competent leadership structure and sustainment efforts in place.

### Context

MidwayUSA Foundation exists to provide sustainable funding to youth shooting sports teams and organizations. The Foundation wants teams and organizations that are actively participating in shooting sports to have funded Endowments from which they can draw grants to support their shooting sports activities. When a team becomes inactive, showing no reasonable potential of returning in the foreseeable future, it no longer makes sense to have an Endowment account earmarked for that entity. Therefore, the Foundation will transfer the funds from that Endowment account to an appropriate active Endowment account.

### Requirements

1. MidwayUSA Foundation will inactivate a Team Endowment account under the following conditions.



- 1.1. Foundation staff has been directly notified to inactivate the Team Endowment account (via the authorized team contacts, a Foundation partner organization, etc.) due to team inactivity, an overarching program closure, etc.
- 1.2. Regional Program Managers have exhausted all communication channels to affirm an active status/establish a relationship with the Team Endowment, including but not limited to email, phone, partner assistance, and online research.
2. The Inactive Team Endowment Identification process will take place once per calendar year.
  - 2.1. January - *Potential* Inactive Team Endowment Pools are identified (Region-specific)
    - 2.1.1. Regional pools are identified and selected based on varying criteria, including, but not limited to, whether the team proactively funds its endowment, takes advantage of our cash and product grant opportunities, and/or participates in the various Foundation programs. A team continually demonstrating no effort to minimally fund their endowment or take their annual cash grant may result in the endowment being labeled as inactive.
  - 2.2. February through October - Team Endowments are reviewed to determine active status.
    - 2.2.1. Foundation staff will retain all information related to specific outreach efforts, as well as any successful/unsuccessful communication dates.
    - 2.2.2. Upon confirming a Team's status (active or inactive), Foundation staff will make the proper notes and assessments and, if applicable, move forward with immediate inactivation and funds transfer.
3. Upon conclusion of the active status determinations, MidwayUSA Foundation staff will address and record the results within all applicable Foundation databases and document storage platforms.
  - 3.1. When a team is deemed active, the Endowment and its fund balance will remain intact, and Foundation staff will work to re-establish a mission-driven relationship to ensure longevity for the Team Endowment and its youth shooters.
  - 3.2. When a team is deemed inactive, the Endowment will be deactivated, and its fund balance transferred. Foundation staff will work to facilitate a recipient



Endowment(s) for the transferred funds based on either their discretion or the transferring team's input.

- 3.2.1. Once the Endowment is inactive and the fund balance is \$0, the Endowment will no longer be an actively participating constituent within the MidwayUSA Foundation's mission. If the inactive status was determined incorrectly, please see the Endowment Restoration Policy for options to restore the Endowment.
- 3.3. The intent will be for the transferred funds to remain in the local community when possible. The receiving endowment(s) priority will be given to local teams (same discipline when possible), the same sponsoring entity (4-H, JROTC, collegiate, etc.), or a state or regional partner organization.