

Operation Round Up Program

MISSION STATEMENT

The mission of Operation Round Up Program of Navarro County Electric Cooperative, Inc. (“NCEC”) is the accumulation and disbursement of funds for charitable purposes in Ellis, Freestone, Hill, Limestone, and Navarro Counties.

This shall be accomplished by disbursement of funds to individuals and organizations for food, shelter, clothing, health needs and education.

Disbursements annually to individuals are limited to \$2,500 and \$10,000 to organizations. These limits may be increased by a two-thirds vote of the entire Board of Directors of NCEC.

This statement may be modified from time to time by a two-thirds vote of the entire Board of Directors of NCEC.

**POLICIES AND REGULATIONS
GOVERNING THE OPERATION OF THE
ROUND UP PROGRAM OF
NAVARRO COUNTY ELECTRIC COOPERATIVE, INC.**

These Policies and Regulations are adopted by the Board of Directors of Navarro County Electric Cooperative, Inc. (“NCEC” or the “Cooperative”) to govern the operation of the Round Up Program which is created as a program of the Cooperative to be funded by a bill payment arrangement whereby its members may elect to round up the payment of their monthly electric bills to the next dollar amount based upon a commitment from the Cooperative to deposit the funds paid by them over and above the full amount of their monthly electric bills in a fund to be held and used for charitable purposes.

ARTICLE I

NAME OF THE PROGRAM

The name of the program shall be the Operation Round Up herein below referred to as the “ROUND UP PROGRAM”.

ARTICLE II

PURPOSE OF THE ROUND UP PROGRAM

The purpose of the ROUND UP PROGRAM shall be the accumulation and disbursement of funds for charitable purposes in the service area of Navarro County Electric Cooperative, Inc. (“NCEC”). Upon dissolution of the ROUND UP PROGRAM any remaining funds collected in connection with the ROUND UP PROGRAM shall be distributed only for charitable purposes.

ARTICLE III

FUNDING

The ROUND UP PROGRAM shall be funded by a bill payment arrangement whereby members of NCEC may elect to round up the payment of their monthly electric bills to the next dollar amount based upon a commitment from the Cooperative to deposit the funds paid by them over and above the

full amount of their monthly electric bills in a fund to be held and used for charitable purposes in accordance these Policies and Regulations, and such other rules and regulations as may be promulgated by the Board of Directors of NCEC, as the same may be amended from time to time, and from any other source of funds available to the said ROUND UP PROGRAM.

ARTICLE IV

ADMINISTRATION BY BOARD OF ADVISORS

The ROUND UP PROGRAM shall be administered by a five (5) person Board of Advisors (“Advisory Board”). The initial Advisory Board shall be composed of five (5) persons residing in the Texas Counties of Ellis, Freestone, Hill, Limestone, or Navarro as such persons are designated by the Board of Directors of NCEC. The Advisory Board shall have members from at least three (3) of the five (5) counties, and no more than three (3) from any one county.

At the initial organizational meeting of the Advisory Board, the members of the Advisory Board shall by lot draw for terms of service on the Advisory Board of two (2), and three (3) years. The drawing shall consist of two (2) 2-year terms, and three (3) 3-year terms. Thereafter, the terms of service for each Advisory Board member shall be for a period of three (3) years.

An Advisory Board member may serve one (1) successive term and thereafter may be reappointed to the Advisory Board after the lapse of a period of three (3) years.

ARTICLE V

QUALIFICATIONS OF BOARD MEMBERS

An Advisory Board member shall be at least twenty-one (21) years of age and shall have resided in the county from which he is chosen for at least three (3) years prior to appointment to the Advisory Board. It shall not be necessary for members of the Advisory Board to be members of NCEC. No person seeking or holding a seat on the Board of Directors of NCEC shall be appointed to serve as or remain a member of the Advisory Board.

ARTICLE VI

SELECTION OF BOARD OF DIRECTORS

The initial Advisory Board shall be designated by the Board of Directors of NCEC. Thereafter, when vacancies are to be filled or when terms expire, persons shall be named to such vacancies on the Advisory Board by the Board of Directors of NCEC. The existing Advisory Board may make recommendations to the Board of Directors of NCEC for nominees for the Advisory Board.

ARTICLE VII

COMPENSATION FOR ADVISORY BOARD MEMBERS

No Advisory Board member shall receive compensation for serving on the Advisory Board. Such Advisory Board members may, however, be reimbursed for mileage and out of pocket expenses incurred while on the business of the ROUND UP PROGRAM, when such business is approved by the Advisory Board.

ARTICLE VIII

MEETING OF THE ADVISORY BOARD

A. **REGULAR MEETING**: The Advisory Board shall meet not less than quarterly at a place designated by the Advisory Board. The Advisory Board may meet at such other times as they may deem at their discretion to be necessary.

B. **SPECIAL MEETINGS**: Special meetings of the Advisory Board may be called by the Chairman or by any three (3) Advisory Board members and it shall thereupon be the duty of the Secretary to cause a Notice of such meeting to be given as hereafter provided. The Chairman or members of the Advisory Board calling such meeting shall fix the time and place.

C. **NOTICE OF DIRECTORS MEETING**: Written notice of the time and place of regular and special meetings of the Advisory Board shall be delivered to members of the Advisory Board not less than five (5) days prior thereto, either personally, by mail, or at the direction of the Secretary, and upon default in that duty by the Secretary, then by the Chairman or the members of the Advisory Board calling for such meeting.

ARTICLE IX

QUORUM

A majority of the Advisory Board shall, unless otherwise designated in these Policies and Regulations, constitute a quorum. In the event that less than a majority of the Advisory Board is present at any meeting, the majority of those members of the Advisory Board present may adjourn the meeting and designate a place and time for the next meeting, under which circumstances the Secretary shall notify the absent Advisory Board members of the place and time of the next meeting. An act of the majority of the Advisory Board present at any meeting at which a quorum is present, and unless otherwise provided in these Policies and Regulations, shall be the act of the Advisory Board .

ARTICLE X

REMOVAL OF MEMBER OF ADVISORY BOARD

Any member of the Advisory Board shall automatically cease to be a member of the Advisory Board if and in the event such member misses three (3) successive "regular" meetings as outlined in Section "A" of Article VIII of these Policies and Regulations. Any members of the Advisory Board may

otherwise be removed for cause from the Advisory Board by a two-thirds (2/3) vote of the entire Advisory Board or by a majority vote of the Board of Directors of NCEC.

ARTICLE XI

OFFICERS OF THE ADVISORY BOARD

The officers of the Advisory Board shall be a Chairman, a Vice Chairman, a Secretary and a Treasurer, and such other officers as may be determined by the Advisory Board from time to time. For the purposes of these Policies and Regulations, the above officers shall constitute the Executive Committee of the Advisory Board. The Secretary and Treasurer offices may be combined into one Secretary/Treasurer position.

ARTICLE XII

ELECTION OF OFFICERS AND TERMS OF OFFICE

The officers shall by secret ballot be elected annually by the Advisory Board at a meeting of the Advisory Board held on an annual basis after the initial organizational meeting.

The terms of office shall be for one (1) year, however, nothing shall prevent an officer from being re-elected to consecutive terms of office.

ARTICLE XIII

EX OFFICIO MEMBERS OF THE ADVISORY BOARD

The General Manager/CEO of NCEC shall be an ex officio member of the Advisory Board. The Advisory Board may from time to time have other such ex officio members as the Advisory Board or the Board of Directors of NCEC may, in their discretion, determine as necessary or prudent.

ARTICLE XIV

POLICIES, RULES AND REGULATIONS

The Advisory Board shall have the power to make and adopt such rules and regulations, not inconsistent with law, or these Policies and Regulations, as it may deem advisable for the management, administration and regulation of the business and affairs of the ROUND UP PROGRAM.

ARTICLE XV
DUTIES OF OFFICERS

- A. **CHAIRMAN**: The Chairman shall be the principal executive officer of the Advisory Board and, unless otherwise determined by the Advisory Board, shall preside at all meetings of the Advisory Board and in general perform all duties incidental to the office of Chairman and such other duties as may be prescribed by the Advisory Board or the Board of Directors of NCEC from time to time.
- B. **VICE CHAIRMAN**: In the absence of the Chairman, or in the event of his inability or refusal to act, the Vice Chairman shall perform the duties of the Chairman, and when so acting, shall have all the powers of and be subject to all the restrictions upon the Chairman. The Vice Chairman shall also perform such other duties as from time to time may be assigned to him by the Advisory Board or the Board of Directors of NCEC.
- C. **SECRETARY**: The Secretary shall be responsible for the keeping of the minutes of the meetings of the Advisory Board in one or more books provided for that purpose; be responsible for seeing that all notices are duly given in accordance with these Policies and Regulations or as required by Law; be custodian of the records of the ROUND UP PROGRAM; have general charge of the books of the ROUND UP PROGRAM; be responsible for the keeping on file at all times a complete copy of these Policies and Regulations, and of any rules and regulations of the ROUND UP PROGRAM adopted by the Advisory Board, containing all amendments thereto; and, in general, perform all duties incidental to the office of the Secretary and such other duties as from time to time may be assigned to him by the Advisory Board or the Board of Directors of NCEC.
- D. **TREASURER**: The Treasurer shall have charge and custody of and be responsible for all funds and securities of the ROUND UP PROGRAM; be responsible for the receipt of and the issuance of receipts for monies due and payable to the ROUND UP PROGRAM from any source whatsoever, and for the deposit of all such monies collected in connection with the ROUND UP PROGRAM in such bank or banks as shall be selected in accordance with the provisions of these Policies and Regulations; and in general perform all the duties incidental to the office of Treasurer and such other duties as from time to time may be assigned to him by the Advisory Board or the Board of Directors of NCEC.

ARTICLE XVI

CHECK SIGNING

Any and all checks issued in connection with the ROUND UP PROGRAM, for any purpose, shall be signed by the General Manager/CEO of NCEC.

ARTICLE XVII

DISBURSEMENT OF FUNDS

Except as otherwise provided by these Policies and Regulations the Advisory Board shall have the full and sole responsibility for making recommendations to the Board of Directors of NCEC for the disbursement of all monies of the ROUND UP PROGRAM in accordance with these Policies and Regulations and the policies as adopted by the Board of Directors of NCEC.

Prior to the consideration, by the Advisory Board of any disbursement, member(s) of the Advisory Board and the Directors of the Board of Directors of NCEC shall disclose and explain any personal and/or business interest, connection, kinship, or other association he or she has with the person, family, group, corporation or other entity under consideration for funding by the ROUND UP PROGRAM.

Any such member of the Advisory Board shall, if requested by the Chairman or any three (3) members of the Advisory Board, excuse himself or herself from the meeting and not participate in the discussion of or voting on the disbursement. Any such Director of the Board of Directors of NCEC shall, if requested by the President of the Board or any three (3) Directors of the Board of Directors of NCEC, excuse himself or herself from the meeting and not participate in the discussion of or voting on the disbursement.

If no request is made that the interested member or Director excuse himself or herself from the meeting, then and in that event, said member or Director, as the case may be, may participate in the discussion of the disbursement but shall not vote on the disbursement.

ARTICLE XVIII

ACCUMULATION OF FUNDS

NCEC shall, on a regular basis, but in no event less than monthly, transfer to a separate ROUND UP PROGRAM account with a financial institution, the deposits of which are insured by the FDIC or FSLIC, funds collected by NCEC for the benefit of the ROUND UP PROGRAM. The ROUND UP PROGRAM may also solicit and accept contributions from other sources as deemed appropriate by its Board of Directors of NCEC, which shall be deposited in or transferred to the ROUND UP PROGRAM account.

ARTICLE XIX

INVESTMENT OF FUNDS

NCEC shall be responsible for the funds entrusted to it and shall make such investment of said funds in such manner as the Board of Directors of NCEC deems reasonable and prudent and in keeping with these Policies and Regulations and the policies of NCEC.

ARTICLE XX

AMENDMENT OF THIS POLICIES AND REGULATIONS

These Policies and Regulations may be altered, amended, or repealed by the Board of Directors of NCEC at any regular meeting of the Board of Directors of NCEC, after at least ten (10) days notice to the members of the Board of Directors of NCEC and the Advisory Board. The Advisory Board may make advisory recommendations to the Board of Directors of NCEC regarding such alteration, amendment or repeal.

ARTICLE XXI

ACCOUNTING SYSTEM & REPORTS

The Board of Directors of NCEC shall cause to be established and maintained a complete accounting system such that is in keeping with sound financial management of the ROUND UP PROGRAM. The Advisory Board shall make reports to the Board of Directors of NCEC on the operation and expenditures of the ROUND UP PROGRAM as may be necessary and prudent, but in no case less than annually.

ARTICLE XXII

POLITICAL CONTRIBUTIONS

In no event shall funds collected in connection with the ROUND UP PROGRAM be used for any political contribution, campaign, political action committee or other similar purpose.

ARTICLE XXIII

EMERGENCY EXPENDITURE

The Executive Committee of the Advisory Board by a vote of at least three (3) of the members of such Executive Committee may from time to time recommend expenditures on an emergency basis, in accordance with these Policies and Regulations, and policies adopted by the Board of Directors of NCEC, and in accordance with the purpose of ROUND UP PROGRAM, in an amount not exceeding ONE THOUSAND AND NO/100THS (\$1,000.00) DOLLARS, to any person, family, group or organization.

Such emergency expenditure shall be fully disclosed to the Advisory Board and the Board of Directors of NCEC by the Executive Committee at the next regularly called respective meeting of the Advisory Board and the Board of Directors of NCEC.

ARTICLE XXIV

AMOUNT OF EXPENDITURES

Unless otherwise provided by these Policies and Regulations and in keeping with the purpose of this ROUND UP PROGRAM, the Advisory Board may recommend annual expenditures of ROUND UP PROGRAM funds by majority vote of Advisory Board members present at a meeting and constituting a quorum, subject to the following limitations;

a.) Not more than TWO THOUSAND FIVE HUNDRED AND NO/100THS (\$2,500.00) DOLLARS, annually to any individual.

b.) Not more than TEN THOUSAND AND NO/100THS (\$10,000.00) DOLLARS, annually to any group, organization, charity or like organization.

ARTICLE XXV

EXPENDITURES EXCEEDING TEN THOUSAND AND NO/100THS (\$10,000.00) DOLLARS

Notwithstanding any other provision of these Policies and Regulations, the Advisory Board may, by a two-thirds (2/3) vote of the entire Advisory Board recommend expenditures in any amount to any person(s); group, organization, charity or like organization which the Advisory Board determine is in keeping with the purpose and spirit of the ROUND UP PROGRAM and these Policies and Regulations.

ARTICLE XXVI

RETENTION OF FUNDS

Until such time as there exists a sum of money, including earned interest, in a amount of not less than ONE HUNDRED THOUSAND AND NO/100THS (\$100,000.00) DOLLARS within the ROUND UP PROGRAM account, no expenditures exceeding ninety-five (95%) percent of the annual contributions, from whatever source derived, may be disbursed or otherwise disposed of for any purpose. Thereafter the Advisory Board may, in its discretion and in accordance with other dictates imposed by these Policies and Regulation, recommend that NCEC expend any and all monies, saving and excepting five percent (5 %) of the previous years total contributions or FIVE THOUSAND AND NO/100THS (\$5,000.00) DOLLARS, whichever is less.

ARTICLE XXVII

PROXY VOTING

Proxy voting shall not be allowed at any meeting of the Advisory Board.

ARTICLE XXVIII
AUDIT

The Board of Directors of NCEC shall, on an annual basis, cause the books and records relating to the ROUND UP PROGRAM to be audited by a certified public accountant and a report in keeping with sound accounting principles to be issued to the Advisory Board and the Board of Directors of NCEC.

ARTICLE XXX
FISCAL YEAR

The Fiscal Year of the ROUND UP PROGRAM shall commence on the 1st day of January of each calendar year and end on the 31st day of December of each calendar year.

APPROVED BY THE BOARD OF DIRECTORS OF
NAVARRO COUNTY ELECTRIC COOPERATIVE, INC.

President, Ron Buckley

ADOPTED: November 20, 2008

Secretary, George Smith

**NAVARRO COUNTY ELECTRIC
COOPERATIVE, INC.
OPERATION ROUND UP PROGRAM**

Post Office Box 616
Corsicana, Texas 75110
(903) 874-7411

**APPLICATION FOR DONATION FOR
INDIVIDUAL AND/OR FAMILY**

1. Name _____
Last First Middle

2. Other Members of Household:

a.	_____	_____	_____	_____
	Last name	first	middle	Relationship
b.	_____	_____	_____	_____
	Last name	first	middle	Relationship
c.	_____	_____	_____	_____
	Last name	first	middle	Relationship
d.	_____	_____	_____	_____
	Last name	first	middle	Relationship
e.	_____	_____	_____	_____
	Last name	first	middle	Relationship

3. Address: _____
Residence address Mailing address

City of Town State Zip Code

4. Phone Number: _____
Home Work

5. Employer of those in NO.1 and NO.2 above:

(1)	_____	_____
	Employer	Supervisor
	_____	_____
	Address	Phone
(2a)	_____	_____
	Employer	Supervisor
	_____	_____
	Address	Phone

(2b)	_____	_____
	Employer	Supervisor
	_____	_____
	Address	Phone
(2c)	_____	_____
	Employer	Supervisor
	_____	_____
	Address	Phone
(2d)	_____	_____
	Employer	Supervisor
	_____	_____
	Address	Phone
(2e)	_____	_____
	Employer	Supervisor
	_____	_____
	Address	Phone

6. Reason for Request for Donation: (Include amount requested and specific use of funds)

7. Is individual of family receiving any other form of assistance or aid for above stated request (Food Stamps, AFDC, donations, insurance, etc.)? Yes ___ No___

8. Statement of financial Condition as of _____

<u>ASSETS</u>		<u>AMOUNTS</u>
Cash		\$ _____
	Banking Institution Account No.	\$ _____
	Banking Institution Account No.	\$ _____
	Banking Institution Account No.	\$ _____
Real Estate		\$ _____
	Partial or Wholly Owned County	Market Value
	Partial or Wholly Owned County	\$ _____
	Partial or Wholly Owned County	Market Value
	Partial or Wholly Owned County	\$ _____
Securities		\$ _____
	Description Identification No.	Value
	Description Identification No.	\$ _____
	Description Identification No.	Value
	Description Identification No.	\$ _____
Other Receivables (State Type: Personal Property, Loan Receivable, Auto, Life Insurance (Cash Value) Other Assets; Include description, account no., etc.)		\$ _____
	Type	Value
	Type	\$ _____
	Type	Value
	Type	\$ _____
	Type	Value
TOTAL ASSETS		\$ _____
		Total

LIABILITIES

AMOUNTS

Notes Payable

_____ \$ _____

Lender's Name _____ \$ _____

_____ \$ _____
Lender's Address

_____ \$ _____

Lender's Name _____ \$ _____

_____ \$ _____
Lender's Address

_____ \$ _____

Lender's Name _____ \$ _____

_____ \$ _____

Lender's Address _____ \$ _____

Mortgage

_____ \$ _____

Mortgagor's Name _____ \$ _____

_____ \$ _____

Mortgagor's Address _____ \$ _____

_____ \$ _____

Mortgagor's Name _____ \$ _____

_____ \$ _____

Mortgagor's Address _____ \$ _____

Other Debt (State Type: Taxes, Outstanding bills, other)

_____ \$ _____

_____ \$ _____

_____ \$ _____

Type _____ \$ _____

_____ \$ _____

Type _____ \$ _____

_____ \$ _____

Type _____ \$ _____

TOTAL LIABILITIES

\$ _____

MONTHLY EXPENSES

Housing Mortgage _____ Rent _____ \$ _____

Food \$ _____

Utilities Electricity \$ _____
Gas \$ _____
Telephone \$ _____

Transportation Automobile payments \$ _____
Gasoline \$ _____

Insurance Medical \$ _____
Life \$ _____
Automobile \$ _____

Medical Doctors \$ _____
Hospital \$ _____
Medication \$ _____

Charge Accounts (Specify) _____ \$ _____
_____ \$ _____
_____ \$ _____
_____ \$ _____

Loans (Specify) _____ \$ _____
_____ \$ _____
_____ \$ _____
_____ \$ _____

Taxes (Specify) _____ \$ _____
_____ \$ _____
_____ \$ _____

Other Expenses (Specify) _____ \$ _____
_____ \$ _____
_____ \$ _____

TOTAL MONTHLY EXPENSES \$ _____

The information contained in this statement is for the purpose of obtaining funding from the Navarro County Electric Cooperative, Inc (“NCEC”) on behalf of the undersigned in connection with the Operation Round Up Program of NCEC. Each undersigned understands that the information provided herein is used in deciding to grant funding, and each undersigned represents and warrants that the information provided is true and complete and that the NCEC may consider this statement as continuing to be true and correct until a written notice of a change is provided. NCEC is authorized to make all inquiries they deem necessary to verify the accuracy of the statements made herein.

SIGNATURE OF APPLICANT/RECIPIENT

SIGNATURE OF SPOUSE

DATE

NAVARRO COUNTY ELECTRIC COOPERATIVE, INC
OPERATION ROUND UP PROGRAM

Post Office Box 616
Corsicana, Texas 75110
903.874.7411

**APPLICATION FOR DONATION
FOR ORGANIZATION/AGENCY**

1. Name of Organization: _____

2. Address: _____

Street or Post Office Box

City or Town

State

Zip Code

3. Phone Number: _____

Home

Work

4. Contact Person: _____

Name

Title

5. Is organization requesting funding exempt from payment of income tax:

Yes _ No _ If yes, copy of letter (Form 501 [c]3) from the Internal Revenue Service must be attached

6. A copy of financial statement (s) for most previous year should be provided:

a. Statement attached: _____

7. Number of individuals, families, or groups served in Ellis, Freestone, Hill, Limestone, or Navarro Counties in the last year: _____

8. Does agency serve outside Ellis, Freestone, Hill, Limestone, and Navarro Counties?

Yes _____ No _____

If yes, please provide information on number served and location:

9. For what purpose or project will the funds that you are requesting be used?

Amount of funds requested: _____

10. List other sources of funding for use of request as described in the above:

11. How are agencies programs measured for effectiveness?

12. Please list three references.

Name	Phone		
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Address	City	State	Zip Code
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Name	Phone		
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Address	City	State	Zip Code
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Name	Phone		
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Address	City	State	Zip Code
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NAME OF ORGANIZATION

SIGNATURE OF REPRESENTATIVE

DATE