



Iowa Lakes Electric Member-Owners Charitable Foundation Operation Roundup FAQs

What is Operation Round Up?

Operation Round Up gathers voluntary contributions from participating cooperative member-owners by "rounding up" their monthly bills to the next dollar and use the funds collected for charitable purposes. For example, if your electric bill is \$93.73, your bill would be rounded up to the next highest dollar and you would pay \$94.00. The additional 27 cents would then be placed in a separate bank account to be distributed for charitable purposes.

Who controls the funds that Operation Round Up generates?

All "rounded up" funds flow directly into the **Iowa Lakes Electric Member-Owners Charitable Foundation** and all funds are overseen by the Foundation board. The Foundation is a separate entity with its own board consisting of member-owners of your Cooperative, governed by a set of bylaws. The Iowa Lakes Electric Cooperative's Board of Directors appoints one director from each of the eight counties it serves.

Current Foundation Board Members:

- Sheila Borchers, Estherville
- Ruth Brown, Ruthven
- Janet Deim, Swea City
- Bob Emgarten, Spirit Lake
- Robin Hauswirth, Havelock
- Carol Ehlers, Storm Lake
- Jarrett Smith, Spencer
- Lynn Winterhof, Aurelia

Are all Iowa Lakes Electric Member-Owners Charitable Foundation board members also members of the Cooperative?

Yes, the Foundation bylaws state that board members must also be members of Iowa Lakes Electric Cooperative.

What are the funds used for?

According to the bylaws, the Foundation Board is allowed to make donations to any worthy charitable cause, with the exception that no funds can be used for political purposes. The Operation Round Up program is intended to benefit people and organizations within the eight counties of Iowa Lakes Electric Cooperative's service area. Operation Round Up funds may be used for community service projects, economic development, education and youth programs, environmental projects, emergency energy assistance and disaster relief.

What controls are in place to make sure the money is used for its intended purposes?

- The Foundation bylaws state the Foundation is to be audited on an annual basis by a certified public accountant and a report in keeping with sound accounting principles shall be issued to the Board of Directors of the Foundation and the Board of Directors of Iowa Lakes Electric Cooperative.
- It is also the responsibility of the Foundation Board to provide reports on the operation and expenditures of the Foundation to Iowa Lakes Electric Cooperative board of directors as necessary and prudent, but in no case less than annually; and to make and deliver a presentation at the annual meeting.

How often will the board meet?

The Foundation board will meet every quarter.

Where can I apply for Operation Round Up funds?

Applications are available on our website at www.ilec.coop and at our headquarter office in Estherville for individuals or organizations in need. The correct form, one for individuals and one for organizations, must be completed and forwarded to the Cooperative. The Foundation board reviews all applications and makes decisions on fund disbursement.

How much can a person/organization receive from the Operation Round Up Program?

Individuals are eligible to receive up to \$2,500/year and groups, organizations, or charities are eligible to receive up to \$10,000 annually.

Will we be able to find out where the money goes?

Yes, one of the functions of the Foundation board is to make a presentation at the annual meeting. Also, we will publish the disbursements in the ILEC News quarterly newsletters.

How much will my annual contribution to Operation Round Up cost me?

The average contribution is six dollars (\$6) per year. However, donations can range anywhere from as little as 12 cents a year, but never more than \$11.88 per year.

Are Operation Round Up donations tax exempt?

Yes! Operation Round Up donations are tax exempt, and for tax purposes, your year-to-date contributions will be listed each month on your billing statement.

Does Iowa Lakes Electric Cooperative benefit from Operation Round Up?

No. An Iowa Lakes Electric Cooperative personnel helps administer the program as a complimentary service to the organization. This person is selected by the president/CEO of the Cooperative. Iowa Lakes Electric Cooperative does not receive any kind of monetary or in-kind reimbursements from Operation Round Up for its services.

How was the decision made for Iowa Lakes Electric Cooperative to participate in Operation Round Up?

When we launched Operation Round Up back in 2001, members needed to voluntarily "opt-in" by sending in forms and such. Unfortunately, this method of participating is somewhat burdensome and is reflected in only a few hundred member-owners who have signed up. Due to the very successful Operation Round Up programs of our neighboring cooperatives and other cooperatives across the nation, the Iowa Lakes Electric Cooperative board of directors discussed and voted to implement the change to an opt-out program.

Do I have to participate in Operation Round Up?

The Operation Round Up program is strictly voluntary. Any member-owner who wishes not to participate may notify us in one of the three ways.

1. Call our office at 800-225-4532
2. Sign and return the Operation Round Up Opt-Out form below
3. Send an email to ilec@ilec.coop

I wish to decline participation in Iowa Lakes Electric Cooperative's Operation Round Up program.

Name: _____
(as it appears on your bill - please print)

Address: _____

City: State: Zip: _____

Signature: _____

Fax (712-362-2819) or mail to Iowa Lakes Electric Cooperative, 702 South First Street, Estherville, IA 51334