

**Policy Number: C-2****Subject: Donations & Sponsorships****Review Requirement: 3 years****Original Issue Date: October 22, 2003****Date of Last Review: January 08, 2026****Date of Last Revision: January 08, 2026****Previous Revisions: 06/10/2010, 11/11/2010, 06/13/2013, 07/09/2015, 08/13/2020, 10/06/2022, 04/13/2023**

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**I. OBJECTIVE**

To support recognized charitable and educational institutions, organizations, businesses and the education, cultural enrichment and public welfare of Mountain Parks Electric, Inc. (the “Cooperative”) through financial contributions and event sponsorships.

**II. POLICY****A. Donations & Sponsorship Fund****1. Charitable Trust/Operation Round Up**

Operation Round Up is administered by the Cooperative’s Charitable Trust Board of Directors and is funded by voluntary contributions from Cooperative consumers who contribute one-time donations and/or round up their monthly electric bill to the next whole dollar (through Operation Round Up). These funds are earmarked to financially assist needy individuals for the public good, including minors and families, or other charitable organizations whose purpose is to give financial aid and training or education (excluding public or private schools).

**2. Unclaimed Capital Credit Fund**

The Unclaimed Capital Credit Fund is administered by the Cooperative’s Board of Directors and Chief Executive Officer (CEO) and is funded by unclaimed capital credits transferred to a special fund of the Cooperative pursuant to the Bylaws. These funds are limited by the Cooperative Bylaws to support the educational or public welfare of persons residing within or projects within the Cooperative service area. Examples of such projects include energy related, community centric, and other cultural programs benefiting the Cooperative’s service area.

**3. Sponsorships**

Sponsorships are administered through Cooperative staff and are funded through the budgeting process. MPEI's average sponsorship for local events is approximately \$300.

4. Miscellaneous Donations & Sponsorships

Funding requests less than \$5,000 that fall outside of categories listed in this section shall fall under the guidelines of the CEO's discretion.

B. Annual Spending Goals & Limits

To champion the cooperative principle of Concern for Community, the Board adopts the following annual donations & sponsorship spending goals.

1. Operation Round Up

Donations from Operation Round Up/the Charitable Trust shall be governed by the Bylaws of the Charitable Trust.

2. Unclaimed Capital Credit Fund

The annual spending goal is 90% of the 3-year average of unclaimed capital credits transferred to the Cooperative pursuant to the Bylaws. To ensure fund viability in future years, the Cooperative will retain a minimum balance of approximately \$300,000 or enough to fund scholarships and youth programs for 3 years. Requests less than \$5,000 are reviewed and may be approved by the CEO. Requests exceeding \$5,000 are reviewed and may be approved by the Cooperative's Board of Directors.

3. Sponsorships

Spending amounts will vary from year to year, dependent upon the number of requests and the available general budget dollars.

C. Criteria for Requesting Parties

Organizations considered for donations and contributions must meet the following criteria:

1. Not-for-profit organizations that meet the Internal Revenue Service tax-exempt status requirements or organizations within the MPEI service territory that conduct programs or events that benefit the Cooperative's membership.

2. All organizations must complete and submit one of the following request forms: Donation, Event Sponsorship, or Operation Round Up. These are all available on MPEI's website.

D. Categories of Eligible Organizations

1. In general, donations will be authorized only for the following types of organizations:
  - a. Community Organizations – This category includes most types of organizations formed in the communities located within the Cooperative's service territory with the primary purpose to serve the members of those communities.
  - b. Civic Groups – Chamber of Commerce, Kiwanis, Lions, Rotary, and other similar groups.
  - c. School Programs that contribute to enhanced educational opportunities.
  - d. Community Economic Development Projects – Special development, which will benefit the community at large.
  - e. Community Care and Share Groups – Groups with the expressed purpose of helping the lower-income and disadvantaged members of the community.
  - f. Rural Health, Crisis Centers and Senior Citizen Programs – Quasi-governmental entities which benefit the community at large, including programs directed at particular groups, including children, adults and students.
  - g. Youth Organizations – Local, organized activities for youth in our communities – 4-H, Scouts, team sports, etc.
  - h. Special Events – Specific events that have a stated purpose for the use of funds that enhance community services in the Cooperative's service area.
  - i. Benevolent Organizations – These organizations provide specialized services for our communities in times of disaster and emergency conditions.

- j. Other Organizations – Occasionally, requests will be received for donations from associations and organizations outside the Cooperative’s service territory. Such requests may be approved if the request otherwise qualifies under this Policy.

E. Ineligible Organizations & Projects

MPEI will not make contributions to the following:

1. Political campaigns or political action committees.
2. Organizations which discriminate in violation of State or Federal law.
3. Organizations directly funded by way of tax assessments are ineligible, except for those organizations specifically identified in Section D above.

None of the following requests will be considered:

1. Requests rejected by the Charitable Trust or CEO shall not be considered by the Cooperative’s Board of Directors.
2. Expenses that are typically included in a business’/organization’s general operating funds.

F. Funding Timeline

Donation requests under this policy will be reviewed as follows:

1. Operation Round Up – Every other month.
2. Unclaimed Capital Credits – Three times a year.
3. Sponsorships – Throughout the year.

**III. RESPONSIBILITY**

The CEO will be responsible for the administration and compliance of this policy.

**APPROVED BY THE BOARD OF DIRECTORS ON JANUARY 8, 2026**