

**JUNIOR ACHIEVEMENT OF ARIZONA, INC.**

**District Policies/Operating Agreement**

***For State Board Approval: May 24, 2023***

**Introduction**

The perennial strength of the Junior Achievement of Arizona, Inc. (JAAZ)operation can be attributed to its unique organizational structure, blending a centralized and decentralized approach that takes advantage of the benefits of each. Districts throughout the state take on "ownership" of their Junior Achievement operations, adapting them to local conditions and needs. At the same time, each JAAZ District benefits from the strength of pooled resources, the efficiencies of centralized administration, a full-time professional staff and a focused statewide strategic effort.

Knowledge of the structure of Junior Achievement (JA) is required in order to understand reporting relationships. Junior Achievement USA is the central authority where final responsibility rests for the protection of all Junior Achievement activities and programs. The national organization has granted territorial responsibility for Junior Achievement activities to officially licensed JA Areas through an Operating Agreement. Junior Achievement of Arizona, Inc. is the legal licensee for the state of Arizona.

JAAZ implements programming throughout its territory by organizing local Districts and authorizing them to operate Junior Achievement within a specific geographic area. This delegation of authority does not lessen the legal responsibilities of JAAZ for adherence to the Operating Agreement and official policies of Junior Achievement USA.

For legal, strategic and insurance coverage purposes, JAAZ must function as an integrated unit. Under the direction of a District Board responsible to the JAAZ Statewide Board of Directors, each District is responsible for its own success but must operate under some uniform guidelines with the parent organization to ensure that District Board members are covered by Directors & Officers insurance, and that federal and state regulations are being met.

The purpose of this document is to define the steps needed to ensure that insurance coverage. This document also sets forth the policies governing the operation of JAAZ throughout the Arizona franchise, establishing the authorities, responsibilities and functions of both JAAZ and the District operations. Adherence to the policies, procedures and operating guidelines detailed in this document is mandatory.

Questions pertaining to the policies, procedures or operating guidelines should be directed to the President of Junior Achievement of Arizona**,** Inc.

**Operating Agreement between**

**Junior Achievement of Arizona**

 **and**

**Central Arizona District**

**JA USA Requirements**

Per JA USA, District Board members will be covered by D&O insurance only if ALL of the following criteria are in place and adhered to:

1. District Board members are indemnified. The Bylaws for JAAZ state that District Board members are indemnified.
2. All Junior Achievement employees in Arizona are employees of JAAZ. The top staff person in each District shall report to JA staff in the JAAZ main office location.
3. District cannot have separate bylaws or a separate EIN.
4. District budget must feed into the comprehensive budget for JAAZ.
5. The JAAZ Statewide Board and/or JAAZ President have governance over the District’s budget, staff and board.
6. There shall be at least one District Board representative on the JAAZ Statewide Board from each District.
7. JAAZ is the only legal JA entity in Arizona. If a District has any bank accounts, they must be listed under Junior Achievement of Arizona’s name and EIN.
8. Approved District Board meeting minutes must be sent to the JAAZ President and posted on the shared JAAZ network.

**Section I: Responsibilities and Authorities of Junior Achievement of Arizona, Inc.**

JAAZ has sole responsibility and authority for all of the Junior Achievement operations and activities in the 15 Arizona counties franchised to it by JA USA. The following sections detail those responsibilities and authorities.

**Territorial Assignment and Jurisdiction**

1. Authorize local, "District" Boards to operate Junior Achievement within specific geographic territory, and modify the District boundaries from time to time. Determine and define regions, districts and other territorial divisions as the statewide licensee. Develop non-assigned territory.
2. Resolve issues of conflict between two or more Districts.
3. Revoke territorial authority for the operation of Junior Achievement from a District Board for any of the following:
* Failure to adhere to the policies, procedures and operating guidelines as described in this document, after such failure is brought to the attention of the District Board.
* Failure to raise sufficient funding to satisfy operating expenses of the District, which reflects unfavorably upon JAAZ.
* Failure to operate the District Junior Achievement programs in a manner consistent with the standards, quality, procedures or materials that are approved by JA USA.
1. Assume responsibility of the affairs of a District upon revocation of territorial authority by JAAZ. JAAZ may continue operations pending a reorganization and reestablishment of the District or may cease operations in that District. Surplus funds, assets and property of all Districts in the State of Arizona shall continue in the ownership of JAAZ.

**Administration**

1. Establish the mission and strategic direction of the statewide organization.
2. Provide statewide leadership, counseling and assistance by securing outstanding individuals to serve on the JAAZ Statewide Board of Directors.
3. Establish and supervise policies and standards which ensure a uniform pattern of operations in all Districts, compliance with the JA USA Operating Agreement and government regulations, and implementation of the statewide strategic direction.
4. Hold an Annual Meeting of the corporation for election of the JAAZ Statewide Board of Directors and other corporate purposes.
5. Coordinate and administer all employee insurance and benefit programs.
6. Maintain insurance coverage to protect the interests of JAAZ, its contributors, members, volunteers, educators, sponsoring organizations, Directors, Officers, and staff.
7. File all required federal and state reports.
8. Provide legal counsel when necessary.
9. Coordinate and file all reports required by JA USA.
10. Approve those organizations with which Districts may cooperate in organizing, developing and financing the Junior Achievement program.
11. Maintain statewide records as a source of statistical data.
12. Recommend services for the betterment of Junior Achievement throughout the state.

**Personnel / Human Resources**

1. Establish, supervise and enforce the Human Resources Manual including personnel policies.
2. Coordinate District staff recruitment, interviews and selection process.
3. Maintain a competent, qualified and trained staff at all levels of the organization. Directly responsible for all personnel decisions including, but not limited to, selection and termination.
4. Implement a formal system of achievement planning, coaching and review for District staff.
5. Manage District salaries and benefits.
6. Provide full-time professional staff consultation and service to District Boards and staff in the following areas:
* General program management and operations
* Fundraising planning and execution
* Administration and accounting
* Strategic and market planning
* Brand development and public relations
* Special event planning and execution
* Office and computer operations
1. Provide on-the-job training and formal training opportunities for District staff.
2. Manage day-to-day District staff responsibilities during staff transitionor other extended absences.

**Coordination**

* 1. Develop and maintain relationships with other organizations to enhance Junior Achievement's efforts, and with education leaders to assure curriculum acceptance statewide.
	2. Encourage and facilitate the flow of information and ideas between Districts.
	3. Coordinate the requests for resources from business and other institutions that cross District boundaries, and foster collaborative fundraising efforts among Districts and JAAZ.
	4. Research, develop, and distribute materials, services, and innovations created in Districts.
	5. Facilitate the sharing of information among the Statewide Board of Directors and the District Boards.
	6. Conduct statewide staff meetings to disseminate information, share ideas, and provide training and networking opportunities.
	7. Administer all Junior Achievement scholarships and award programs.
	8. Encourage collaborative work between Districts, and between the Districts and JAAZ headquarters, to increase resources available to serve the organization.

**Finance/Accounting**

1. Maintain a centralized accounting system with complete responsibility for general ledger, accounts receivable, accounts payable and payroll.
2. Maintain bank account(s) as needed for JAAZ and its Districts.
3. Arrange for an independent audit of all financial records annually.
4. Track financial activity for each District.
5. Provide for the issuance of official receipts in accordance with standard procedures.
6. Provide investment management on all reserve funds.

**Protected Materials**

1. Protect the name and the use of the name "Junior Achievement" and such other names as may become distinctly associated with Junior Achievement.
2. JA USA has the responsibility, authority and exclusive right for granting use of its distinctive names, licenses, insignias, copyrights and trademarks. It must also grant approval for changes to same. Districts must coordinate all such requests through Junior Achievement of Arizona, Inc.
3. Protect the standards and policies of Junior Achievement.
4. Protect as proprietary information: all lists of students, contributors, staff and others associated with Junior Achievement.

**Public Relations**

1. Produce and make available statewide marketing materials.
2. Maintain a statewide website.
3. Maintain statewide public relations.
4. Approve all publicity and collaterals utilized to promote Junior Achievement.

**Section II: Responsibilities and Functions of: JAAZ District Operations**

District Boards are responsible for developing, financing, promoting and operating Junior Achievement in adherence to the policies, procedures and operating guidelines as established in this agreement, and the guides, manuals and other publications of JAAZ. Specific responsibilities and functions of District Junior Achievement Operations are detailed in the following sections.

**Administration**

1. Maintain the official name of the District as "Junior Achievement of Arizona, Inc. - “District Name”. Conduct District operations within “District Name” defined to serve all schools within “Counties of Responsibility.”
2. Provide local leadership, guidance and support to Junior Achievement by securing outstanding individuals to serve as members of the District Board.
3. Comply with all federal, state, and local laws and regulations.
4. Comply with JA USA operating standards.
5. Comply with JAAZ policies and procedures.
6. Conduct a minimum of four District Board meetings annually, take minutes of meetings and send minutes to JAAZ.
7. Provide JAAZ with all reports necessary to maintain Junior Achievement's IRS 501(c)(3) status.
8. Obtain the JAAZ President’s signature on all contractual agreements (e.g., leases, credit arrangements, loans, investments, contracts, etc.).
9. Develop and approve annual revenue and program goals to be incorporated into the statewide budget for JAAZ. Provide JAAZ with reasonable access to the District's office, files, financial records, official documents, or any other information at any time.
10. Supply JAAZ with reports, statistics or other requested information in a timely manner.
11. Notify JAAZ as soon as possible, if the District Board anticipates any possible legal actions, the curtailment of Junior Achievement operations, or any major threat to Junior Achievement interests in the geographic territory it services.
12. Title all property under the name of Junior Achievement of Arizona, Inc.
13. Provide for staff representation at statewide staff meetings and required functional training.

## Programming

1. Establish goals for each program.
2. Obtain, administer and maintain suitable meeting locations compatible with the needs of the various Junior Achievement programs.
3. Secure volunteer providers and sponsoring organizations as required by the individual Junior Achievement programs.
4. Secure and orient volunteers using the standard training process as required by the individual Junior Achievement programs.
5. Conduct program operations in accordance with the JA USA implementation standards.
6. Obtain written approval from JAAZ and JA USA for variances from program models or for research and development of new programs prior to implementation.
7. Verify class registration data to JAAZ for each completed program unit.
8. Protect Junior Achievement program participants, volunteers and staff by communicating and enforcing the Volunteer Conduct Standards for JAAZ.

## Fundraising

1. Provide written acknowledgement to donors, on Junior Achievement letterhead, of all contributions within thirty days of the receipt of the gift.
2. Obtain written approval from the affected District and JAAZ prior to soliciting funds from an organization headquartered in another District when the company has no physical presence in the District requesting funds. No request for funding is to go directly to the headquarters without first receiving approval from the affected District and JAAZ.
3. Forward all funds received to JAAZ for proper disbursement.
4. Services may be provided in accordance with program models, such as programs to school systems, at no cost or on a service fee basis. Districts electing to provide service for a fee to school systems must have this relationship approved by JAAZ.

**Finance/Accounting**

1. Secure financial resources to adequately fund Junior Achievement operations in the District’s assigned territory. Utilize the standard accounting services provided by JAAZ.
2. All financial accounts must be approved by JAAZ and must utilize the Junior Achievement of Arizona, Inc. EIN and main office address.
3. The authority to bind JAAZ to any financial obligation whatsoever remains the exclusive right of the Statewide Board of Directors. No District Board or staff person shall have this authority unless authorized by the State Board.

**Participation Fees**

* 1. District shall be responsible for its participation fees which JAAZ shall pay, together with all other JAAZ participation fees, to JA USA on all contribution income, except that income which has been previously approved by JA USA to be exempt from participation payments.
	2. Participation fees shall be paid on that portion of the proceeds from the sale of a building that was previously exempt from payment at the time the building was sold. Participation fees shall be paid on interest income if the participation fee was not paid on the principal.

**Personnel and Human Resources**

1. Adhere to the personnel policies adopted by JAAZ.
2. Work with JAAZ when an opening for the District's chief staff person occurs. The JAAZ President, in consultation with the District Board, will make the hiring decision for the District chief staff person.
3. Support JAAZ with recruitment, development and evaluation of qualified personnel for local Junior Achievement work.

**Protected Materials**

1. Protect all lists of students, volunteers, contributors, staff and anyone else associated with Junior Achievement, as proprietary information and abide by all JAAZ policies.
2. Respect and comply with the standards, policies, properties and licensed materials and properties of Junior Achievement.
3. Obtain written approval from JAAZ prior to selling, or working with a commercial vendor to sell, any materials, including the use of Junior Achievement's distinctive names, licenses, copyrights or trademarks.
4. Utilize only current corporate identity standards and approved materials and properties as found at [www.jabrand.org](http://www.jabrand.org)

**Junior Achievement of Arizona Junior Achievement of Arizona**

**Central District Board Chair State Board Chair**

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