



PHI SIGMA SIGMA

Foundation

Phi Sigma Sigma Foundation Policy for the Acceptance of Restricted Funds

Last Updated: December 14, 2013

1. The Foundation will accept restricted funds established by individual donors, active alumnae and collegiate chapters, house corporations and other appropriate donors, as long as such funds are established for charitable and educational purposes within the purposes of the Foundation, on the terms and conditions contained in this Policy.

2. Restricted funds shall consist of Named Scholarships, Chapter Educational Funds, and Book Award Funds, as approved by the Foundation.

Named Scholarship funds, as approved by the Foundation, may be established for scholarships to deserving initiated members of Phi Sigma Sigma, including alumnae pursuing post-graduate degrees. With respect to each fund, a local or other advisory committee may be established to make recommendations to the Foundation Board of Directors as to the criteria for the disbursements of the funds to individuals based on certain criteria to include: members of a specific chapter only, a specific area of study, academic achievement and service to chapter, Greek life, campus, and community. The final discretion as to such disbursement must remain with the Foundation directors, according to law.

Book Award funds, as approved by the Foundation, may be established for book awards to deserving initiated members of Phi Sigma Sigma, including alumnae pursuing post-graduate degrees. With respect to each fund, a local or other advisory committee may be established to make recommendation to the Foundation Board of Directors as to the criteria for the disbursements of the funds to individuals based on certain criteria to include: a specific area of study (optional), academic achievement and service to chapter, Greek life, campus, and community. The final discretion as to such disbursement must remain with the Foundation directors, according to law.

In the case of Named Scholarships and Book Awards limited to a specific area of study, the Foundation Board of Directors reserves the right to make changes with respect to language related to the field of study

Chapter Educational Funds (CEFs), as approved by the Foundation, may be established by a collegiate chapter for any educational purpose in accordance with IRS regulations, with the primary focus on scholarships to deserving initiated members of the chapter, including alumnae pursuing post-graduate

degrees. CEFs shall be known as the {Chapter Letter} Chapter Educational Fund.

- a. To apply for approval by the Foundation Board of Directors to establish a CEF, a chapter shall submit a copy of the chapter minutes documenting a vote by the chapter supporting the establishing of the CEF and a vote acknowledging and accepting this policy. Once a chapter reaches the Chapter Excellence goal of \$35 per sister, it may designate additional gifts to its chapter educational fund or named scholarship.
 - b. Once fully funded, selection of CEF scholarship recipients will be made by the Foundation, based equally on 1) chapter involvement, 2) campus involvement, 3) community involvement and 4) grade point average. Funds raised by chapters to benefit a local charity may be sent to the Foundation and will be immediately available for distribution by the Foundation as instructed by the chapter.
 - c. The Foundation will provide annual reports to the chapter on the status of the CEF including the annual administrative fee, and funds available for distribution for the subsequent year.
 - d. In the event that the chapter is suspended from its host campus, is disbanded, its charter suspended or revoked by Supreme Council, or otherwise ceases to function, the following will apply:
 1. The chapter's CEF will be maintained for the period specified in 2 below, however fifty percent of the annual scholarship award will be made available each year to deserving members of Phi Sigma Sigma of any chapter.
 2. If the chapter has not been reestablished at its host institution within a period of 10 years, the chapter's CEF may be dissolved and all remaining funds, including principal and income, shall become a part of the general funds of the Phi Sigma Sigma Foundation. The Foundation, in its sole discretion, may extend the waiting period before dissolution.
3. The minimum amount of any such fund shall be \$10,000 for a Book Award or \$25,000 for a Chapter Educational Fund or Named Scholarship. However, the Foundation will accept lesser amounts with the understanding that it will hold such amounts for the donor up to five years, pending receipt of the full minimum amount. The five-year timeframe for fully funding restricted funds shall not apply to those named scholarship restricted funds in which contributions were received by the Foundation prior to the date of adoption of this Policy; all other terms and conditions of this Policy shall apply to such funds.
 4. Such funds will be accepted by the Foundation as permanent endowment funds, with the income only (or percentage of total return) from such funds to be expended annually.



5. The Foundation Board of Directors will determine from time to time the proper allocation of income to each restricted fund (whether fully funded or not), any appropriate allocation of expenses to such fund, amount of management fees to be charged, the investment of such fund and all other accounting and legal matters concerning such restricted funds. Any income from the fund that is not distributed during a fiscal year (July 1 – June 30) will be added to and become part of the principal of the fund.
6. Phi Sigma Sigma members shall apply for fund scholarships or book awards according to the Foundation's scholarship process. Each applicant shall be reviewed by the Foundation's scholarship evaluation committee and all grantees shall be approved by the Foundation Board of Directors. A chapter member may be eligible to receive a named scholarship or book award in addition to a CEF scholarship if there are no other qualified applications for the CEF scholarship. The decision of the Foundation Board of Directors in all such matters shall be final.
7. All gifts to the Foundation are deductible for federal tax purposes to the extent provided by law. Checks should be made payable to the Phi Sigma Sigma Foundation and designated for the particular restricted fund.
8. The Foundation shall oversee the soliciting of donations to all restricted funds and may, but shall not be required to, directly solicit donations for such funds.
9. Nothing in this Policy shall be interpreted to affect the right and responsibility of the Board of Directors, in their sole discretion, to decline to accept restricted funds, for reasons in the best interests of the Foundation.
10. The Foundation Board of Directors may amend and interpret this Policy from time to time by majority vote of the Directors.

