

## **TSNA Industry Advisory Board Scholarship Fund**

### **Fund Investment Policy and Management Rules**

- 1. The TSNA Industry Scholarship Fund is to be maintained by the TSNA in a multipurpose investment account. These funds are legal property of the TSNA and not the TSNA Industry Advisory Board. The fund is currently in an investment account in Merrill Lunch. It would take a vote of two-thirds of the voting members of the TSNA Industry Advisory Board to send a resolution to the TSNA Executive Board to move it to another financial institution. It would take a two-thirds vote of the TSNA Executive Board to finalize approval of the account move.**
- 2. The investment amount, or the endowment portion, of the TSNA scholarship fund is meant to be maintained in perpetuity for the purpose of providing scholarships to TSNA members or relatives of TSNA members to further their education. It is the desire and intention of the TSNA that this fund grow and be protected in order to award increasing scholarship numbers and/or amounts in the years to come.**
- 3. Income for the fund comes from three sources and could come from a fourth.**
  - a. A portion of each industry member's dues shall be deposited in the fund upon receipt by TSNA. This portion shall be voted on by the TSNA Executive Board. The current amount is \$25.00 for an individual membership and \$50.00 for a company membership.**
  - b. The profits from the bi-annual TSNA industry seminar shall be deposited into this fund as soon as practical following the conclusion of each seminar. One-half of these funds are designated to the endowment portion of the fund and one-half is designated to be used for scholarships during the two years following each Industry Seminar. If any future industry seminar fails to make money and incurs a loss, then that loss will be covered by the TSNA General Fund and not the TSNA Industry Scholarship Fund.**
  - c. Income from the endowment portion of the fund. This is to be used to fund scholarships in the year or year after it is recorded as income by the fund.**
  - d. Individual or corporate contributions could be made to the fund and designated either as scholarship funds or endowment funds.**
- 4. TSNA directs that an investment committee manage the operation of the fund. This committee will consist of the Executive Director of TSNA, the Treasurer of TSNA, and a member elected by the TSNA Industry Advisory Board. Signature authority over this account will be joint between the Executive Director of TSNA and the Secretary of TSNA. The industry member will have no signature authority over this account, although their vote is necessary to dispense funds from or to direct investment in this**

**account. This committee will set the amount of dollars available to be used by the scholarship committee in any given year. As a general rule, one-half of the previous Industry Seminar funds, earmarked for scholarships, plus the industry dues, plus the income of the endowment portion of the fund may be used for scholarships in any given year. If any direct donations for scholarships are received, then they may be made available to the scholarship committee either as directed by the donor or at the discretion of the investment committee if not directed**

- 5. The investment policy of this fund shall be very conservative. The current policy is to ladder U.S. Treasury bill with maturities approximately six years out from date of purchase for the endowment portion of the fund. All cash, income and deposits are to be swept into a money market account. The committee can also buy certificates of deposit or other short-term secure instruments to obtain a higher rate of return. Care should be taken with the term so that funds are available each year for the awarding of scholarships at annual conference. This policy can be changed by a unanimous vote of the investment committee.**
- 6. The awarding for scholarships is to be done by a scholarship committee elected by the TSNA Industry Advisory Board. This committee will consist of three members. They may only award scholarships totaling the amount given them by the Investment Committee. The number and value of the scholarships, as well as other parameters governing them, is at the discretion of the TSNA Industry Advisory Board.**