

Endowment Fund Guidelines of the Botanical Society of America

(Approved August, 1997; amended August 1998; amended August, 1999; amended July, 2009)

- 1. Purpose of Endowment Fund:** The purpose of the Endowment Fund is to increase the monetary assets of the Society in order to provide income to fund major initiatives, travel grants, scholarships, and other activities that enhance the effectiveness of the Society to fulfill its Mission (see Bylaws). The Investment Committee (IC) is responsible to and empowered by the Executive Committee and the Council to manage the Endowment Fund. The IC makes no recommendations for use of the Endowment Fund.
- 2. Contributions to Endowment Fund:** All monetary gifts, stocks and bonds designated "Endowment Fund" shall be immediately deposited in either the Endowment Fund Money Market Fund or in the Endowment Fund directly, and then invested in a timely fashion by the IC. Other gifts, such as property, shall be individually handled by appropriate legal procedures to integrate it into the Endowment Fund.
- 3. Solicitation of Membership to Contribute to Endowment Fund:** Solicitation shall be carried out two ways: the first, the membership will be provided 'purpose and giving' information in each issue of the PSB and on the annual membership form; second, a more select portion of the membership that includes long-time (≥ 20 years) members, and members whose ages are 50 years or older, will be individually solicited once every other year (odd-numbered).
- 4. Use of Endowment Fund Income:** The value of the BSA Endowment Fund (all non-restricted, non-sectional funds) will be averaged over the previous twelve (12) quarters, in July of each year. The 'usable income' available for use during the next fiscal year will be 2% of the previous 12 quarters averaged total value, and this amount will be reported at the BSA annual Council Meeting. The IC will annually evaluate the % used to generate income such that if growth goals are being met, or if growth is too slow, the % 'usable income' will be adjusted accordingly. Any 'usable income' unallocated or unused by the end of the fiscal year (June 30) shall revert to the Endowment Fund principle. As a means of checks and balances, the % allocated for annual use shall be determined by the IC in keeping with its charge to increase the value of the Endowment Fund at a rate exceeding inflation. Use of the Endowment Fund 'usable income' shall be determined by the Council (see Guideline 5. Of Endowment Fund Guidelines).
- 5. Approval of use of Endowment Fund:** Any member, committee, section, or ruling body of the Society may submit a request to use the Endowment Fund for purposes outlined in 1. The request(s) must be submitted to the Executive Committee for consideration and recommendation to the Council. The Council at its annual summer meeting, or at a special called meeting, or by e-mail vote in unusual circumstances, will act on the recommendation(s). Approval of any recommendation(s) by the latter three ways will be determined by a majority (51%) of all eligible voting members. If the recommendation(s) is/are approved, the Treasurer of the Society will be empowered to distribute the money according to the approved recommendation(s). If an individual member of either the Executive Committee of the Council submits a recommendation, that member is excused from voting on the recommendation.